

G-7's Goodwill Offers But a Brief Distraction From 'Evil' of Joblessness

By Steven Brull International Herald Tribune

TOKYO — The leaders of the seven major industrial democracies, wrapping up a three-day summit meeting Friday, made little headway in overcoming the common problems of swelling joblessness and weak economic performance that continue to plague their nations. In a final communiqué, the leaders of the Group of Seven lamented the rising tide of unemployment that is sweeping across most advanced industrial nations, but made it clear that they had no easy solutions to offer that would satisfy their increasingly disenchanted voters. "More than 23 million people are unemployed in our countries," the leaders of the United States, Japan, Germany, France, Italy, Britain and Canada said. "That is unacceptable."

global trade barriers that would help expand industrial output. At the same time, they moved cautiously to help shore up President Boris N. Yeltsin of Russia, offering a \$3 billion aid package to help private state enterprises while holding back from any firm trade commitments that would help Russia expand its exports.

NEWS ANALYSIS

important that the G-7 leaders, after several comparatively fruitless summits, should not build up false hopes of what they are capable of accomplishing. The spokesman for the British delegation, Steve Bird, echoed that sentiment. "We don't want to raise expectations for things we can't produce," he said. "There was little danger of that this year. We didn't expect anything to happen during the summit, so the markets weren't exactly shocked when it didn't," said Richard Davidson, an economist at Morgan Stanley International in London. "But we were pleasantly surprised on the trade deal. That has to be a net plus."

For the fourth straight year, the G-7 nations vowed to wrap up by the end of the year the long-stalled Uruguay Round of world trade talks, sponsored by the General Agreement on Tariffs and Trade.

Acknowledging widespread skepticism, the leaders emphasized their determination to finish the GATT talks by Dec. 15 by approving the

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President Bill Clinton and President Boris N. Yeltsin of Russia in Tokyo on Friday.

New Run on the Franc Shakes EC Money Grid France Rushes to Prop Up Currency, But German Reaction Is Still the Key

By Tom Redburn International Herald Tribune

PARIS — Amid signs of a deepening recession in France and renewed pressures on the European exchange rate system, Prime Minister Edouard Balladur was forced to come to the rescue of the franc on Friday with a pledge to defend the currency at all costs. In a television interview Friday evening, Mr. Balladur said the current anxiety over the franc would disappear soon. "I believe it is a temporary situation," he said. "A certain number of phenomena came into play, some of which were transitory."

Earlier, a spokesman for Mr. Balladur issued a strong statement in defense of the currency, whose link with the Deutsche mark is at the core of Europe's attempts to construct a stronger monetary union. "The prime minister reaffirms his total commitment to maintain a stable franc within the European exchange rate mechanism, and that all necessary steps will be taken to achieve this goal, on which France's economic success depends," the Balladur spokesman said.

The franc slipped through the symbolic level of 3.40 to the mark in nervous trading Friday, as the Bank of France intervened for the second day in a row to support the franc.

Impelled by a report this week that the French recession is likely to be deeper than expected, traders who for months had seemed content to leave the franc alone jumped into action on Thursday, selling the currency heavily. The pressure was maintained Friday. At the same time, the U.S. dollar chalked up strong gains against all European currencies and the Japanese yen. This added to tensions within the exchange rate mechanism by encouraging a flight out of its weaker currencies toward the comparative safety of the key reserve currencies — the dollar and the mark.

The U.S. currency shot up more than 2 percent, to 1.7225 DM, at the New York close, from 1.7016 DM at Thursday's close, and to 5.8580 francs from 5.7808. The dollar rose to 109.875 yen from 108.55.

"It's back-to-reality time," said Hermann Renner, economist at Berliner Handels- & Bank in Frankfurt. "Although investors might switch from marks into other European currencies for a quick gain, in the long run there really is no currency in Europe that can knock the mark off its pedestal as the international reserve currency."

French officials, after flirting with the idea last month that the franc might supplant the mark as the anchor currency of the European grid, have been scrambling recently to win backing from the Bundesbank in an effort to assure the stability of their currency.

At the heart of the dilemma facing the French franc, analysts said, is a fresh sense among currency traders that Paris cannot afford

German stocks are regaining favor with investors despite the weak economy. Page 9.

to raise interest rates for any sustained period because of the blow such a move would deliver to the weakening French economy. At the same time, money is starting to flow into Germany, attracted by the idea that most of the worst news there has already been taken into account by the market.

"In France, the problems are getting larger," said Rainer Mariani, a currency analyst at Helaba in Frankfurt, "while in Germany the situation seems to be getting slightly better."

Richard Davidson, an economist at Morgan Stanley International in London, said much of the recent heavy trading in currency markets was also being driven by questions over whether Germany's Bundesbank would ride to the rescue of the franc as it did during last fall's European currency crisis.

"There have been a lot of disagreements between France and Germany lately," Mr. Davidson said. "The joker is the Bundesbank and whether they are prepared to intervene." In Tokyo, Chancellor Helmut Kohl, asked whether a drop in the franc would put pressure on the Bundesbank to lower interest rates, said there was "no cause for concern, because the franc was still in the accepted range."

Currencies within the exchange-rate mechanism, which includes Germany, France and several smaller currencies but does not contain the British pound or the Italian lira, are required to fluctuate within a set range. The

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Pomp and Circumstance: Yeltsin Joins the G-7 Flow

By Gwen Ifill New York Times Service

TOKYO — When President Boris N. Yeltsin of Russia arrived here to take his seat at a table Friday with the leaders of the seven major industrial nations, it seemed only a technicality that he was not a card-carrying member of their club.

Mr. Yeltsin arrived here Thursday and immediately became part of the pomp, circumstance and substance of the meeting of the Group of Seven leaders, joining the others for a banquet at the Imperial Palace and a luncheon at the Akasaka Palace, and holding separate meetings with Prime Minister Kiichi Miyazawa and President Bill Clinton.

Secretary of State Warren M. Christopher said that the Clinton-Yeltsin session at Ambassador Michael H. Armacost's residence had been planned as "a visit for them to both assess where Russia stands and where the world community stands in its assistance to Russia." Mr. Clinton, who seemed to accumulate considerable goodwill from his counterparts as the week progressed, acted as Mr. Yeltsin's sponsor

at the talks, shepherding a \$3 billion aid package through the meetings and leading the discussions on helping Russia make the switch to a free-market economy.

The two were to hold a press conference here Saturday morning before leaving Japan. In part because of Mr. Clinton's efforts, Mr. Yeltsin appears to have become a permanent part of the G-7 process, even though he is not an official member of the club.

At the Akasaka Palace on Friday, the tricolor Russian flag was added to the stand of flags representing the seven participating countries. And Mr. Miyazawa, as this year's host, has invited Mr. Yeltsin to join the group for meetings in Naples next year.

"Russia is now in many ways a bridge between the European and Asian flanks of the G-7," Mr. Clinton said at the luncheon meeting, according to one official.

The official said Mr. Clinton had called for the normalization of relations between Japan and Russia.

Doing his part to foster harmony in the group, Mr. Yeltsin took steps to erase some of the bad feeling between Moscow and Tokyo by meeting with Mr. Miyazawa and saying afterward at a joint news conference that he planned to return for a more formal summit meeting in October.

"The process of change has been a difficult one," Mr. Yeltsin said Friday, sounding a con-

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U.S. and Japan Edge Toward Pact

Compiled by Our Staff From Dispatches

TOKYO — Trade negotiators from the United States and Japan appeared to draw close early Saturday in negotiations defining a new bilateral trade pact.

A U.S. trade official said that it was "very surprising" if our going on and on in the trade talks would be the announcement of a pact.

David Geppert, special counselor to the president, said that if an agreement was not reached before the president left for Singapore, the negotiations would take a brief pause.

Mr. Clinton said at a news conference at the close of the Group of Seven summit meeting that he did not want to raise false hopes on an agreement, but negotiators talked Friday night and into Saturday to try to reach an accord.

Another U.S. official, who spoke on condition he not be identified, said that Mr. Clinton and Prime Minister Kiichi Miyazawa of Japan had discussed some issues when they dined together Friday night.

As Mr. Clinton entered the Hotel Okura sushi restaurant in Tokyo for the dinner, a journalist asked whether the two leaders had reached an agreement.

"Yes, we have agreed — to eat sushi," the president said.

Of the world's two largest economies, the U.S. and Japan, the pact would be the most significant since World War II.

The United States wants to incorporate specific targets into a trade agreement and is pressing Japan to cut its trade surplus to less than 2 percent of its gross domestic product in three years, compared with 3 percent to 4 percent at present. Japan is resisting numerical targets, either on reducing the surplus or opening its markets to other issues, saying such targets violate free-market principles and amount to "managed trade."

Although he talked the United States' ties with Japan "perhaps our most important relationship," Mr. Clinton maintained Washington's tough stance on trade throughout the summit meeting and related talks in Tokyo this week. (Reuters, WP)

The Tokyo Summit

Clinton gets an escort at his session with U.S. business people in Japan. Page 4.

Japan's lame-duck leader crosses the world trade tangle unscathed. Page 4.

New Approach Closes In on Cancer Cells

By Natalie Angier New York Times Service

NEW YORK — After years of hopes raised and hopes dashed that a magic bullet against cancer could be invented, scientists have reported an impressive advance in using a sort of molecular sharpshooter to destroy tumor cells.

In the new research, scientists have designed so-called monoclonal antibodies that seem to be considerably more effective in wiping out cancer than were previous attempts to target malignant tissue with antibody proteins. But the latest results have only been seen in rodents, and even if the new approach proves valid, much work must be done before the technique can be used on patients.

Nevertheless, scientists familiar with the lengthy and often frustrating history of attempts to design proteins that specifically attack cancer cells said the new findings were extremely encouraging.

They were most impressed with the ability of the monoclonal therapy to cure cancer in rodents that had well-established and widespread malignancy. In most previous animal studies of monoclonal antibodies, researchers had managed to cure or diminish only confined tumors that had barely begun to grow.

"The results are startling," said Dr. Lance Liotta of the National Cancer Institute in Bethesda, Maryland, an expert in how cancer spreads. The researchers' "apparent ability to achieve cures in the face of disseminated disease is a very exciting finding," he said.

The new findings, which come from three research institutes of Bristol-Myers Squibb, a pharmaceutical company, were published Friday in the journal Science.

In the study, the researchers hooked up a commonly used chemotherapy drug called doxorubicin to an antibody able to home in on a specific molecular target, or antigen, that is found in abundance on the surface of tumor cells.

The scientists were particularly pleased that once the antibody had found its objective, it was effectively sucked inside the cancer cells, where the chemotherapy drug was then freed to kill the cells by jamming up the chromosomes within.

The technique worked to cure extensive cancer. See CANCER, Page 5



PARTING SHOT — Queen Elizabeth II, at a British Army Rifle Association centenary exhibition on Friday, firing the last round.

Kiosk

Serb President Frees Opposition Leader

BELGRADE (Reuters) — Serbia's president pardoned the opposition leader Vuk Draskovic and his wife, Danica, on Friday and released them from custody.

President Slobodan Milosevic's decision followed pleas from many world leaders, including President Bill Clinton. The Draskovics were beaten by police when they were arrested last month during anti-government riots. Mr. Draskovic, who faced charges in connection with the protests, went on a hunger strike in custody.

Mr. Milosevic said he was not dropping assault charges against Mr. Draskovic. Related article, Page 2.

Crossword Page 4. Book Review Page 7.

Table with Dow Jones (Up 6.64, 3,521.06) and Trib Index (Down 0.38%, 101.72)

Table with The Dollar (New York, Fri. close, previous close) and other exchange rates.

Old Bones, DNA and Royal Blood Solve Part of Romanov Mystery

By John Darnott New York Times Service

LONDON — Claiming to have cracked a 75-year-old mystery, British scientists said Friday that advanced forensic techniques had proved "virtually beyond doubt" that bones unearthed in a Russian forest two years ago were those of Czar Nicholas II and his family.

The scientists used specially adapted procedures to draw out genetic material from old bones and to compare the DNA with samples from known living relatives of the czar's family.

Among three people who donated blood for the cause was Prince Philip, whose maternal grandmother, Princess Victoria of Hesse, was Czarina Alexandra's sister.

"We are more than 98.5 percent certain that the remains are those of the Romanovs," said Dr. Peter Gill, who headed

the research team at the government's Forensic Science Service laboratory at Aldermaston, near Reading.

Another tantalizing riddle — whether any of the Czar's children somehow survived to carry on the royal line — was not put to rest by the announcement. But it might be soon, the scientists indicated.

Now that they have established a royal genetic data base, so to speak, samples from royal pretenders can be matched and authenticated or disqualified, they said.

The group has already obtained a bit of hair from Anna Anderson, a woman who turned up in Berlin in 1920 and insisted until her death in the United States in 1948 that she was Anastasia, Czar Nicholas's youngest daughter.

Similar samples could be taken from other self-styled descendants, such as Prince Alexis II d'Anjou de Bourbon-

Coudé Romanov-Dolgorouky, who lives in Spain and traces his lineage to Maria, another of the Czar's daughters.

After the Bolsheviks seized power in 1917, Czar Nicholas, Czarina Alexandra and their five children were sent into exile in eastern Russia.

The following year, on the night of July 16, they were shot in the basement of a house in Ekaterinberg, on the orders of Lenin.

Contemporary accounts said that the bodies of the two youngest children, Anastasia and Alexei, the heir to the 300-year-old Romanov dynasty, were buried while those of the Czar, his wife and their three oldest daughters, Olga, Maria and Tatiana, were buried.

In 1991, a mass grave was discovered in Ekaterinberg with nine bodies. They were thought to be those of five members of the imperial family, three servants and the family doctor, Sergei Botkin.

Russian anthropologists tentatively identified the remains as belonging to the imperial family, a conclusion that was later supported by a team of six American experts. But to make sure, Dr. Pavel Ivanov, a Russian DNA specialist, brought some of the bones for genetic testing to the genetics laboratory in Britain in September.

Dr. Gill noted that there were other corroborating bits of information to show they were on the right track. The height of the skeleton fit that of the Czar. Dental fillings of gold and platinum suggested that the bones were aristocratic. There were at least six bullet holes and the bullets recovered were from a revolver of that period.

Taking all of this together, a statistical analysis showed a probability no lower than 98.5 percent that the bones belonged to the czar and his family, he said.

The identification made it more likely that the remains could be given a royal burial.

Azerbaijan, Afloat in Oil, Is Denied Its Riches by War, Graft and Disorder

By Serge Schmemmann
New York Times Service

BAKU, Azerbaijan — All 15 former Soviet republics have been dealt their share of problems and prospects since the 1991 breakup. But not many can boast of an assortment quite like those of Azerbaijan.

In less than two years of independence, this little republic by the Caspian Sea has known war, elections, coups, pogroms, corruption, Islamic revival, resurgent Communists, international intrigue, economic chaos and the promise of wealth — great jobs of oil wealth, waiting to be tapped if only the rest could be sorted out.

Clusters of Western oil executives, many with the drawl of the American South, fly in and out of Baku on corporate jets or camp in the old Intourist Hotel, waiting to tap into offshore reserves in the Caspian — estimated at 4 billion barrels or more.

The wealth that the oil could bring is staggering, especially for a country with an infrastructure that can barely supply water to Baku, an economy that is caught somewhere between the collapse of Soviet colonial rule, nationalist illusions, and the first tender shoots of free enterprise — but also a relationship with Armenia that is disastrous and intractable.

The latest hope for stability has come from a curious quarter. After almost two years of independence, in which politics lurched from a pro-Russian Communist regime to a coalition of pro-Turkish anti-Communists, the exhausted country finally turned to the man who had led it

for 18 years as an iron-fisted Communist boss — Gdagar Aliyev, now 70.

As in Georgia, where the former Soviet foreign minister, Eduard A. Shevardnadze, was recalled out of desperation, Mr. Aliyev was brought back not out of any nostalgia for communism or for his earlier record as a ruthless KGB general, but simply the one man with the experience and strength to sort out the mess.

The nastiest "mess" is the war. After five years of bloody, debilitating fighting with Armenia over the disputed enclave of Nagorno-Karabakh, Azerbaijan is on the edge of a humiliating defeat.

A year of steady advances, capped by a two-month offensive, has left Armenians in control of almost the whole territory, along with a broad bridge of land west to Armenia proper and an area inside Azerbaijan to the east.

In the latest humiliation for Azerbaijan, Armenian forces destroyed a dozen villages around the town of Agdam and stood poised to take the town itself, denying the Azerbaijanis a base from which to mount a counterattack against the Karabakh capital, Stepanakert.

Many of the 150,000 residents of Agdam have fled, joining hundreds of thousands of other refugees.

The impact of the war goes far beyond loss of territory, which in any event was populated largely by Armenians, or the cost, which for Azerbaijan, with its oil resources, has been more manageable than for Armenia.

The most telling effect of the war is in the

deep wounds it has inflicted on the nation. They are not immediately evident. In conversations in mosques and in cafes, in the press, even in parliament, the war is rarely mentioned, as if avoiding it can make it go away.

In sharp contrast with the Armenians, to whom the struggle for Nagorno-Karabakh is almost a national obsession, Azerbaijanis — especially young men of military age — talk of it reluctantly, and they make no secret of their wariness of getting involved. Coverage in the Azerbaijani press has been reduced to a bland weekly report.

The new prime minister, a 34-year-old former officer, Surat Huseynov, has ordered all deserters to return to the front or face a firing squad. But his threats have had little apparent effect.

Western diplomats attribute the contrasting attitudes in part to the fact that Azerbaijan does not want to play up a struggle it is losing and in part to differences in the character of the two warring nations.

Christian Armenians are imbued with the memory of the slaughter of uncounted numbers of their ancestors by the Turks during World War I and, like the Israelis, vow "Never again!" The Turkic and Muslim Azerbaijanis, the diplomats say, are less driven and less united by national myth.

But even if less visible, the wound is deep. Outside the overflowing Taz Pir Mosque on the Shiite holy day of Ashura, a well-dressed woman suddenly launches into a furious tirade against the Armenians, their perfidy, their cru-

elty, the gross wrong they have perpetrated in Nagorno-Karabakh. Azerbaijan will never give up its land, she says. Every son will be avenged.

Trying to give the war some perspective — recalling the vicious anti-Armenian pogroms in the town of Sumgait in 1988 or the crude, Soviet-backed attempts to "resettle" the Armenians of Nagorno-Karabakh — is as useless here as in Yerevan, the Armenian capital. For each such wrong to Armenians there is a counterweight — the bloody storming of Baku by Soviet troops in January 1990, the massacre of Azerbaijanis in Khozjali in February 1992, the desecrated mosques, the refugees.

There is no compromise in such memories, no forgiveness, no contrition. On a high hill in Baku above the Caspian shore, a park has been declared Martyrs' Lane, where victims of Azerbaijan's bloody clashes of recent years are buried. Eighty marble slabs honor the victims of the Soviet attack, and almost 700 mark those killed by the Armenians.

On any day, haunting lament and volleys of shots fired in salute rise from the rows as more bodies are added to the hard soil.

On the grave of Elkhan Huseynov, 1974-1992, stands a jar with his mother's grisly tribute: an Armenian's pickled heart.

Nearby, on the feast day of Ashura, a cluster of schoolgirls with white kerchiefs gather to chant prayers over the tomb of Chingiz Mustafayev, a glamorous and popular newscaster who filmed his own death in Nagorno-Karabakh in June 1992 and whose memory has developed a devoted following among young women.

Not surprisingly, conspiracy theories abound — it is a virtual given here that Armenia's 3 million people could never have achieved such success against Azerbaijan's wealthier 7 million. The fault has to be Russia's. In conversations, Russians swell to Ramboesque dimensions, invincible warriors who must be doing the actual fighting, whether for money or for devious political ends.

Russian mercenaries have been spotted, on both sides, and each side in this conflict — as well as in all the other vicious little wars raging on the fringes of the old empire — has seized what arms it could from the vast Soviet arsenal. But if Russia has played a direct role beyond that, at least since the Soviet state collapsed in 1991, it has been well concealed.

If present is war, the future is oil.

In itself, oil is nothing new to Azerbaijan. The Caspian fields were first exploited in 1870, rapidly swelling the old fortress of Baku into a wealthy capital. Many grand mosques and imposing turn-of-the-century buildings in a neo-Asian style speak of a time when the Apsheron Peninsula held an important place in world oil production.

Oil remained the chief industry under Soviet power, with large refineries and engineering works. But the vast, cluttered fields of badly rickety oil derricks in and around Baku and the thick oil slicks off its shores testify to the mismanagement and neglect of Soviet central planners.

In any case, the Soviet system did not allow Azerbaijan to keep its oil wealth.

According to Western oil executives, Moscow focused its attention and investments in recent decades on Siberian fields, inside Russia, rather than the Caspian fields in a Turkic republic bordering on the volatile Middle East. The oil executives said Moscow deliberately underperformed the reserves in the Caspian, and it was only with the collapse of the Soviet Union that three major new fields known as Chirag, Gunashli and Azeri became fully appreciated.

With independence in August 1991 came the Western oil executives. Until President Abulfaz Elchibey was chased out of Baku on June 18 by the Huseynov rebels, the state oil company, SOCAR, had been negotiating with a group of Western companies — British Petroleum, Amoco, Petro-Bras, Unocal, and McDermott International — for joint development of the fields.

The Western oil executives contend that Azerbaijan stands to follow the fortunes of Alaska or Norway, with rapid growth of infrastructure, industry and employment as money percolates down through the small, fertile country.

But it is difficult to avoid a sense of foreboding. This is a nation, after all, where a market economy has made only tenuous inroads, where clans still hold the real power and democracy has little allure, where water supplies, roads, telephones and all other services suffer a combination of classic Soviet and Middle Eastern failings.

Germans Push for UN Veto

TOKYO — Germany insisted Friday that it wanted nothing less than a permanent United Nations Security Council seat with full veto powers, as moves to upgrade its status in the world body gained further support.

Chancellor Helmut Kohl, speaking at the end of the summit meeting of leading industrial powers, firmly rejected a Japanese suggestion that new permanent members could be seated without the definitive right to veto Security Council resolutions.

As Mr. Kohl spoke, Britain and France said they were now open to expanding the Security Council to reflect changes in the world since the United Nations was formed in 1945.

The United States came out last month in support of an overhaul of the council. Russia and China have not yet made their positions clear.

Bonn Fears Wave Of Leftist Terror

By Craig Whitney
New York Times Service

BERLIN — Germany's terrorist Red Army Faction asserted Friday that a government commando group had cold-bloodedly murdered one of its leaders in a shoot-out in Eastern Germany last month, and the authorities said they feared violent reprisals.

Two senior German officials have lost their jobs because of confused and contradictory explanations of how a highly trained anti-terrorist squad, Border Protection Group 9, lost one of its own members and killed the accused terrorist, Wolfgang Grams, in a crowded railroad station on June 27.

"Wolfgang was executed," said a letter sent by the Red Army Faction on July 6 and received Friday by the French news agency Agence-France Presse in Bonn.

Government investigators say that Mr. Grams was killed by a shot at close range to his head, but have



ANOTHER MANDATE — Prime Minister Felipe Gonzalez, 51, holding forth Friday in Madrid after the 350-seat parliament, by a 181-to-165 vote, confirmed him to a fourth term. Catalan and Basque parties joined with the Socialists to provide his majority.

Don't Split Bosnia, Clinton Warns Croats

The Associated Press

TOKYO — President Bill Clinton and Chancellor Helmut Kohl of Germany condemned Croatia's role in the Bosnian crisis Friday, warning Croats that they would face "detrimental" economic consequences if they joined Serbia in carving up Bosnia.

President Franjo Tudjman of Croatia and the Serbian president, Slobodan Milosevic, have called for partitioning Bosnia-Herzegovina into three ethnic states.

Mr. Clinton told reporters after the Group of Seven summit meeting that carving up Bosnia "would have a very serious, detrimental economic consequence" on Serbia and particularly Croatia.

Serbia has already been slapped with stringent international sanctions because of its support for Bosnian Serbian forces.

On Thursday, the G-7 leaders, at the insistence of President François Mitterrand of France, reaffirmed the territorial integrity of Bosnia and warned Serbia and Croatia that they would receive no postwar aid if they imposed a settlement on the Bosnian government.

"We will not accept changing borders by force of ethnic cleansing, regardless of whether this is carried out by the Serbian or Croatian side," Mr. Kohl said. "Considering the dramatic escalation of the conflict in Bosnia-Herzegovina, it was significant that during this conference it was decided to really help the Muslim people and to show the Serbs and the Croats clearly the consequences of their irresponsible and inhuman actions."

Western leaders have been reluctant to pressure Croatia because much of the United Nations humanitarian effort in Bosnia depends on access to Croatian ports.

In his statement, Mr. Kohl said he rejected "any solution dictated by either the Serbian or Croatian side" which would condemn the Muslims "to a life in the ghettos."

WORLD BRIEFS

Israeli Toll at 5 in Lebanon Fighting

NAAMER, Lebanon (AP) — Three Israeli soldiers were killed and three wounded in southern Lebanon on Friday in a second day of battles with Palestinian and Iranian-backed Shiite Muslim guerrillas.

The deaths raised to five the number of Israeli troops killed since Thursday in fighting with the guerrillas.

Security officials, who spoke on condition of anonymity, said that one of the soldiers had been killed when a rocket fell close to his position near the town of Marjayoun, the headquarters of the Israeli-backed South Lebanon Army militia. The others were believed to have been killed in ground attacks.

Kohl Opponent Outdoes Him in Poll

BONN (Reuters) — The new German opposition leader, Rudolf Scharping, largely unknown before his election last month as chairman of the Social Democratic Party, leapt ahead of Chancellor Helmut Kohl in an opinion poll released Friday.

Mr. Scharping, a centrist whose style is as somber and serious as Mr. Kohl's, ranked for the first time among the top 10 German politicians in the monthly poll for ZDF television. Mr. Scharping was in third place, with a 1.3 rating, with 5 being the top rating and minus 5 being the bottom.

Mr. Kohl's position was unchanged from the previous month, at minus 0.3.

New Doubt on Nigeria Interim Rule

LAGOS, Nigeria (AP) — The political party that apparently won last month's presidential election backed away Friday from a deal with Nigeria's military ruler that would deny its candidate the presidency.

A leader of the Social Democratic Party said its executive council had not been acting for the party when the council agreed to form an interim government with the rival Republican Party. Olawale Oshun, majority leader in the civilian House of Representatives, said party members were insisting that the Social Democratic candidate, Moshod K. O. Abiola, be sworn in as president as scheduled on Aug. 27 to end a decade of military rule.

Meanwhile, General Ibrahim Babangida, the leader of the military regime, met Friday with his defense council, which itself is divided over how to resolve the political crisis that developed after the results of the June 12 election were nullified.

TRAVEL UPDATE

Madrid's Palace Hotel has dropped its rating from five to four stars in the hope of generating more business through a 9 percent drop in the value-added tax on rooms. It follows the Meliá Castilla, the Meliá Madrid, the Miguel Angel and the Medinano hotels, while nine hotels remain five-star.

The Paris police announced that 25 extra officers will be assigned to the Champs-Élysées to protect strollers from purse-snatching and other petty crimes and that cars, motorcycles or scooters will be forbidden on newly widened sidewalks — even to park.

The Via Veneto in Rome will be permanently closed to traffic beginning August 1. City officials said they planned to improve the street, once known for its outdoor cafes, by planting flower beds, installing benches and giving cafes more space for tables.

Trains will be halted throughout Italy for 24 hours, beginning at 9 P.M. Saturday, for a strike of engineers to protest the government's failure to enforce last year's agreement to reorganize the rail system and improve safety measures.

An Indian cholera epidemic has killed 253 people in the eastern state of Bihar, The Times of India reported Friday. More than 10,000 others have been affected by the disease.

Work started Friday in Vietnam on what will be the country's most modern road — a 10-lane, 19-kilometer (12-mile) highway around the southern side of Ho Chi Minh City. The Binh Thuan road will cost \$242 million.

Quantas will launch its third weekly flight between Sydney and Seoul on July 15 and has sought permission to increase flights to South Africa, Japan, Singapore and New Caledonia.

Kevan benefits opened fire on seven Dutch tourists heading for the Massai Mara game reserve, wounding their driver, government officials said Friday. A British woman, Julie Ward, was murdered in the reserve in September 1988.

Bosnian Presidency Says No to Partition

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — Bosnia's Muslim president, Alija Izetbegovic, said Friday that the collective presidency had rejected a plan for a three-way partition of the country.

Mr. Izetbegovic said that seven of the 10 members of the presidency agreed to reject the ethnic division of Bosnia into Serbian, Croatian and Muslim states.

"The presidency has accepted the proposal according to which Bosnia-Herzegovina would be constituted according to a federal state," he said. "The number of units has not been defined, but there is no question of Sarajevo being divided into three parts along ethnic lines."

"In other words, the ethnic division of Bosnia-Herzegovina has been refused."

Earlier Friday, Lord Owen, the European Community mediator, said in Zagreb that the collective presidency might now be ready to negotiate that division.

The Bosnia presidency was to meet in Zagreb on Saturday. But Mr. Izetbegovic, as quoted by Tanjug, said he would not chair the session. It was unclear how many presidency members would meet with Lord Owen and the United Nations envoy, Thorvald Stoltenberg.

In Sarajevo, the Bosnian Serbian army, brushing aside a written promise from its political leader, Radovan Karadzic, on Friday refused to release supplies of diesel fuel.

The Bosnian Serbian army chief also boycotted for the second time in a week a planned meeting of military leaders to discuss how to make the capital a "safe area."

A United Nations spokesman, Peter Kessler, said, the Bosnian Serbs were "not on making life as miserable as possible for people in Sarajevo."

UN officials went to the Bosnian Serbs' barracks on Friday to pick up three tankers with 75 tons of diesel for Sarajevo, which is without running water and electricity.

The fuel was stopped outside Sarajevo last week by Serbs, who confiscated one tanker and held the other three.

Earlier, the head of the UN High Commissioner for Refugees in Sarajevo, Tony Land, said he had negotiated the release of the fuel with Mr. Karadzic's office.

Told on Friday that there was no agreement to release the diesel, Mr. Land said: "I am numb."

The fuel had been destined for the city's bakery, the two main hospitals, the brewery, which is pumping fresh water from a natural spring for distribution, and for relief trucks.

(Reuters, AP)

Italian President Causes Legal Storm

ROME — President Oscar Luigi Scalfaro has touched off a storm by accusing Milan's magistrates leading a nationwide political corruption probe of having been overzealous in their pursuit of suspects.

Some 880 people have been investigated and 315 have been arrested, including businessmen and politicians, as part of inquiries into the huge scandal in which companies paid big bribes to political parties to win public contracts.

In some of his most outspoken remarks since the scandal broke 17 months ago, Mr. Scalfaro said that judicial notifications that inform people they are being investigated "sometimes kill."

Speaking on radio Thursday night, Mr. Scalfaro also effectively accused the magistrates of sometimes abusing their power of preventive detention.

"There is no doubt that using jail to convince a suspect to talk does not respect the inviolable rights of man," he said. He said preventive arrest should be the exception and not the rule.

"We have always used preven-

RELIGIOUS SERVICES

AMSTERDAM
CROSSROADS INTERNATIONAL CHURCH, 24 International Boulevard, Sophia Day Services 10:30 a.m. / Kids Welcome. De Custerstraat 3, S. Amsterdam info. 020-401318 or 020-5341089.

FRENCH RIVIERA
CORNERSTONE CHRISTIAN FELLOWSHIP, 1030 a.m. Sundays; nursery, Sunday schools; Tel. 93.65.64.54.

FRANKFURT
CHRIST THE KING (Episcopal/Anglican), Sebastian-Farck-Str. 22, U1 2,3 Mikes-Allee, Sun. Holy Communion 9 & 11 a.m., Sunday School and Nursery 10:45 a.m.

MADRID
COMMUNITY CHURCH, Worship and Church School at 11:00 a.m., Padre Damin 54, (Aragua, Ormaiztegui and San. Yeguer) International, English Speaking, Tel.: 658-5557.

MUNICH
INTERNATIONAL COMMUNITY CHURCH, Evangelical, Bible Bolewerg, services in English 10 a.m., 5:30 p.m., 7:30 p.m. (U2 Theatersstr.) 089 93 45 74.

MONTE CARLO
INT'L FELLOWSHIP, 9 Rue Louis-Notari, Sunday Worship 11:00 & 2 p.m., Tel: 92 16 80.

PARIS and SUBURBS
THE AMERICAN CATHEDRAL (Episcopal/Anglican), Sun. 9 & 11 a.m., Sunday School for children and nursery care at 11 a.m., 23 ave. George V, Paris 8, Tel.: 47 73 53 54 or 47 76 14 27.

HOPE INTERNATIONAL CHURCH (Evangelical), Sun. 9:30 a.m., Hotel Olym, Metro 1, Esplanade de La Defense, Tel.: 47 73 53 54 or 47 76 14 27.

SAINT JOSEPH'S CHURCH (Roman Catholic), Masses Saturday Evening 6:30 p.m., Sunday, 9:45, 11:00, 12:15 and 6:30 p.m., 50, avenue Hoche, Paris 8th, Tel: 42 27 29 55, Metro: Charles de Gaulle - Etoile.

ZURICH
ZURICH - ENGLISH-SPEAKING CATHOLIC MISSION, located at St. Anton Church, Nefenstrasse 63, near Knonigsplatz, Sunday Mass at 11:15 a.m., Tel: 01 31 00 03.

TOKYO
ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Midorijima Sta., Tel.: 3291-3740, Worship Services: 9:30 a.m., Sunday.

EUROPEAN BAPTIST CONVENTION
EUROPEAN BAPTIST CONVENTION CHURCHES WELCOME YOU, 19 English speaking congregations in 19 European countries, Member European Baptist Federation, For information contact European Baptist Convention, Sonnenbergstr. 80, D-6200 Wiesbaden, Tel: 0611-623030.

BARCELONA
INTERNATIONAL BAPTIST CHURCH at 11:00 a.m. at the 18th Hotel for worship (English language), Jimmie Nelson, pastor, phone 410181.

BERLIN
INTERNATIONAL BAPTIST CHURCH, 24 International Boulevard, Sophia Day Services 10:30 a.m. / Kids Welcome. De Custerstraat 3, S. Amsterdam info. 020-401318 or 020-5341089.

BONN/KÖLN
THE INTERNATIONAL BAPTIST CHURCH OF BONN/KÖLN, Phalanxstrasse 9, Köln, Worship 1:00 p.m., Calvin Hoop, Pastor, Tel: (02238) 49261.

BREMEN
INTERNATIONAL BAPTIST CHURCH (English language) meets at Evangelisch-Freikirchliche Kirchengemeinde, Hohentwielstrasse Hermann-Böse-Str. (around the corner from the Bahnhof) Sunday worship 11:00 a.m. D. Wisker, pastor, Tel: 0421-10277.

BUCHAREST
INTERNATIONAL BAPTIST CHURCH, Strada Popea No. 22, 200 p.m., Coriolis 88, Bucharest, Tel. 01049-81.

BUDAPEST
International Baptist Fellowship, 17, Irinyai street, behind front entrance, 10:30 Bible study, 6:00 p.m. Joe Jenkins, pastor, Tel: 1158789 & 1158716. Reached by bus 11.

BULGARIA
INTERNATIONAL BAPTIST CHURCH, Sofia, Grand Narodno Sabornik Square, West side, 11:00, James Dulko, Pastor, Tel: 704367.

CELLE/HANNOVER
INTERNATIONAL BAPTIST CHURCH, Friedenskirche, Fiemerstr. 15, Celle, SS 1245, Worship 10:30 a.m., 7:30 p.m., 20 min. Drive, 20 min. by train from Hannover, Walking distance from Celle train station, Contact: Joe Krake, Tel: 05094-7615.

DARMSTADT
DARMSTADT/BERGSTRASSE BAPTIST MISSION, located at St. Anton Church, Nefenstrasse 63, near Knonigsplatz, Sunday Mass at 11:15 a.m., Tel: 01 31 00 03.

DÜSSELDORF
INTERNATIONAL BAPTIST CHURCH, English, s.a. 10:00, worship 11:00, Children's Church and nursery, Meets at the International Church, Lauchengraben Kirchweg 2, Düsseldorf, Friendly fellowship, All connections welcome, Dr. W.J. Delay, Pastor, Tel: 0211400157.

FRANKFURT
INTERNATIONAL CHRISTIAN FELLOWSHIP, Evangelisch-Freikirchliche Gemeinde, Sodenstr. 11-18, 6300 Bad Homburg, phone 06134-2927 or 06198-643800 serving the Frankfurt and Taunus areas, Germany, Sunday worship 10:45, nursery + Sunday school 10:00, women's circle - Friday 06:30, Housegroups - Sunday + Wednesday 10:30, Pastor: M. Lewy, member European Baptist Convention. "Declare His glory amongst the nations."

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STATESIDE / IT'S ELEMENTARY

What the Floods and the Heat Wave Have in Common

By William K. Stevens
New York Times Service

At first glance, the catastrophic floods of the American Middle West and the miserable but not-unusual heat waves in the East may seem unconnected, remote from each other. But they are part of a gigantic continental weather pattern that shows no sign of breaking up anytime soon, although there are hints that it might moderate next week.

The floods may owe their extraordinary character, meteorologists say, partly to the delayed impact of two global climatic events of last year: El Niño, the pool of warm water that develops every two to seven years in the eastern Pacific Ocean off South America, setting off a chain reaction that reverberates around the world, and Mount Pinatubo, the volcano in the Philippines that erupted in June 1991, thrusting a cooling haze into the atmosphere.

Both El Niño and the Pinatubo haze appear to be dissipating rapidly, but over the last year they produced conditions that combined with others to moisten the soil of the upper Mississippi valley so thoroughly that when this month's rains came, the water had no place to go. What followed was the kind of flood that comes only two or three times a century, sending the Mississippi outside its banks on a broad front.

The immediate cause of this week's sustained rains in the Midwest and the heat in the Northeast is essentially gridlock in the skies. A massive system of high pressure is stalled over the Atlantic Coast. Its wind-comp moisture from the Gulf of Mexico into the Midwest, feeding the rainstorms, and warmth from the Gulf and deep South into the Northeast, sustaining the heat wave. The high-pressure system also prevents cold fronts from following their customary path into the East.

This week's weather pattern, which snapped into place in late June, is characterized by a stronger-than-normal jet stream, which is the west-to-east flow of air at an altitude of 20,000 feet (7,000 meters), which has brought recurrent clusters of thunderstorms, to the

upper Mississippi valley. The jet stream carries disturbances from the West. Meteorologists say they are merely dry whirls high in the atmosphere, but when they move east and collide with the moisture-laden high-pressure system, the little whirls become big rainstorms.

The high-pressure system diverts the jet stream, with its cooling air, into northern Canada. What remains in the Northeast is a dome of hot air made all the hotter by circulating winds bringing up warmth from the Gulf region. Result: Heat wave in the East.

While the heat has created general misery and set records in some places, "we're not stacking up even close to the most recent summer of real heat in the United States, which is 1988," said Frederick J. Gadomski, a meteorologist at the Pennsylvania State University Weather Group. "If this heat wave extends much into next week, it will start to achieve some unusual status."

So far, he said, it is an average heat wave of a duration and intensity that have occurred in the Northeastern United States dozens of times. It is getting a lot of attention because last summer was so cool, with record low temperatures set in the Midwest and near-record lows in the Northeast. Some climatologists, although they say they cannot prove it, believe the Pinatubo haze was responsible for the coolness of 1992.

The heat this year has specific causes that are not likely to be related to any general warming of the globe, said Jim Wagoner, a meteorologist at the National Weather Service's Climate Analysis Center at Camp Springs, Maryland.

Even More Rain
The march toward higher ground continued in cities along the Mississippi River and its tributaries as more rain forced the muddy waters higher, and weakened levees either broke or were topped.

Thousands of people have been forced from their homes in Iowa, Nebraska, South Dakota, Wisconsin and Minnesota since rains began engulfing the Mississippi and its tributaries in June.



Local volunteers in Davenport, Iowa, hustling Friday to shore up the flooding Mississippi River with sandbags.

Away From Politics

● Is the Navajo mystery virus spreading? That rodent-borne ailment attacking residents of New Mexico, Arizona, Colorado and Utah apparently killed a Texas woman who had never traveled to the afflicted area. The Centers for Disease Control and Prevention also upped to 16 the confirmed cases of the virus. The agency is investigating 41 possible cases, including 22 deaths.

● The largest law-enforcement sweep in U.S. history led to arrests of 5,788 fugitives wanted for crimes ranging from murder to drug trafficking, officials said in Arlington, Virginia. The sweep over the past nine weeks, dubbed Operation Trident, succeeded in capturing

some of the most wanted suspects in the country, officials said.

● A man shot and killed three people in a bar in Jackson, Mississippi, then killed an old woman and her son in their home before shooting himself, authorities said. The assailant, Alan Dorris, 32, was in critical condition at a hospital.

● More racial-bias charges against the Denny's chain: Attorneys for six black Secret Service agents have filed more than 50 new allegations of bias against the restaurants in a dozen states. "What the company said is an 'isolated incident' is a nationwide epidemic," John P. Reisman of the Washington Lawyers' Committee for Civil Rights said. Allegations include complaints of inferior service, racial slurs and being asked to pay in advance.

● Abortion foes, writing doctors in San Francisco Bay area on the eve of an anti-abortion protest, begin their letters ominously: "You have been identified as an abortionist." The missives — part of a national campaign by the group Operation Rescue — go on to demand that the 15 doctors quit performing abortions or risk waking up to protesters outside their homes. (AP)

● After the longest criminal-trial deliberations in Idaho history, a federal jury in Boise acquitted two white separatists in the slaying of a deputy U.S. marshal during a shoot-out that triggered a bloody siege of their remote mountaintop cabin. Randall Weaver, 45, and Kevin Harris, 25, had been charged with murder, conspiracy and lesser charges in the shooting death of William Dean near their Idaho Panhandle cabin on Aug. 21, 1992. (AP, AFP, LAT)

POLITICAL NOTES

If Congress Prevails, Spending May Surge

WASHINGTON — The Clinton administration's crusade to reduce the deficit appears to have done little to dull Congress's appetite for new spending proposals, according to a study released by the National Taxpayers Union Foundation.

The foundation's latest budget tracking survey found that nearly four of every five bills introduced during the 103d Congress would require increased spending if approved.

Taken together, the bills introduced in the House and Senate this year would generate about \$1 trillion in net spending increases, according to the authors of the study, or \$14.37 in new spending for every \$1 of proposed spending cuts.

James D. Davidson, chairman of the taxpayers foundation, said, "The big spending congressional agenda continues to rule." While more members are showing greater fiscal restraint, most legislators want to push spending to record levels.

While most legislation introduced in Congress never sees the light of day, taxpayers union officials who pioneered the budget tracking system in 1991 say that members should be held accountable for the fiscal implications of the bills they introduce or co-sponsor.

Paul S. Hewitt, a vice president of the group, contends that there is a correlation between the volume of spending proposals introduced and actual spending. He also said that a number of members of Congress who were targeted as big spenders in previous studies had noticeably cut back their support for big spending measures. (WP)

Democrats Vow to Repel Republican Attacks

CHICAGO — Republican Party officials unveiled a radio campaign designed to defeat President Clinton's budget plan, but it was the chairman of the Democratic Party who sought to steal the show here.

Only minutes after the chairman of the Republican National Committee, Haley Barbour, opened the Republican group's summer meeting by announcing plans to target House and Senate Democrats with attacks on Mr. Clinton's "tax-and-pretend" package, the chairman of the Democratic National Committee, David Wilhelm, staged a counteroffensive in the same hotel.

Mr. Wilhelm acknowledged that the Democrats had erred by letting the Republicans define Mr. Clinton's program, and vowed an aggressive new defense. Mr. Wilhelm asserted that the Republicans' budget alternatives would protect the rich and put the burden of lowering the deficit on the middle and lower classes through cuts in Medicare health insurance and other programs.

He said the Democrats would match the Republicans "dollar-for-dollar" in a propaganda war that could help shape the debate over the budget plan as it moves through a joint House-Senate conference committee and toward a final vote in Congress later this summer.

"We have allowed the Republicans and special interest groups to get the jump on us," Mr. Wilhelm said. (WP)

Remember When a Stamp Only Cost . . . ?

WASHINGTON — Postmaster General Marvin T. Runyon conceded that he would seek an increase in the 29-cent price of sending a letter sooner than he had expected. Speaking to the National Press Club a year after he took charge of the Postal Service, Mr. Runyon, in effect, blamed Congress and the Clinton administration for the near rate increase.

"Actually I really had hoped that we could go to 1996 without a rate increase," Mr. Runyon said. But he said provisions in the administration budget measures adopted by Congress would add \$2 billion to his agency budget and that it would force the agency to seek a rate increase in 1995.

Even so, Mr. Runyon boasted that the agency will have kept the price of a letter stable for four years — something it had been unable to do since 1971 when it became an independent agency. (WP)

Quote / Unquote

Bob Dole, the leader of the Senate's minority Republicans, on Ross Perot: "I know he likes what he is doing, and he's pretty good at it. He is a walking soundtrack." (AP)

West's Spotlight Elevates Egyptian Sheikh to Starring Role

By Caryle Murphy and Steve Coll
Washington Post Service

CAIRO — Not long ago, Sheikh Omar Abdel Rahman worried aloud that he and his followers would not sufficiently fan the flames.

"We have found no one who will listen or pay attention to us," the blind Egyptian sheikh said during a 1987 interview.

Obscurity is no longer a problem. Ever since some of his followers were arrested in connection with the bombing of the World Trade Center in New York in February and with a foiled plot to bomb other New York sites last month, Sheikh Abdel Rahman's bearded face and his message of defiant Islam have been broadcast around the world.

The 55-year-old cleric has become the best-known symbol of Islamic protest politics in the West since Ayatollah Ruhollah Khomeini in Iran.

His recent ascent to fame in New York has acquired a momentum of its own. But the attention also has elevated his political role in Egypt and the Middle East, according to Egyptian government officials and opposition Islamic activists.

This can only make it more difficult for Cairo and Washington to deal with the sheikh without making a bad situation worse.

Mustafa Rashid, deputy leader of the Muslim Brotherhood, Egypt's oldest Islamic opposition group and one that has eschewed violence for 20 years, said that the media had created for the sheikh "this aura of supremacy and importance."

The attention that Sheikh Abdel Rahman has attracted in New York "brings about this kind of fever for him, because he calls for jihad," Mr. Mashur said. "This does not mean he has a large section within the Islamic world."

The sheikh's fame in fact has also had a distorting effect: It exaggerates his limited role in Egypt's diverse, grass-roots, fractious and sometimes violent Islamic movement. And it tends to minimize the major role of other, often younger Egyptian radical leaders in the militant Islamic challenge to the secular government of Egypt.

U.S. Rejects Asylum Bid

WASHINGTON — The U.S. Board of Immigration Appeals has refused Sheikh Osman Abdel Rahman's request for asylum and upheld a deportation order issued in March, the government said Friday.

The sheikh, whose followers have been arrested in connection with several bombing plots in New York, was picked up by immigration authorities last week after he allegedly tried to elude federal agents.

He faces an arrest order issued by an Egyptian judge on charges of inciting anti-government riots there in 1989. Egypt has requested his extradition, and the United States has said it will cooperate.

The immigration board's decision opens the door to deportation, but that could be blocked by court appeals, which could take years. The sheikh, who is a diabetic, is being held in a hospital at the federal prison in Ossipee, New York.

Islamic Group Vows Retaliation

CAIRO — The Islamic Group, whose spiritual guide is Sheikh Omar Abdel Rahman, said it would retaliate for the Egyptian government's hanging Thursday of seven militants, who were found guilty of attacking foreign tourists and of conspiring to overthrow the government of President Hosni Mubarak.

"Mubarak is digging his own grave," a communiqué faxed to international news organizations read. "Every day of his black rule gives us new reasons to kill him, to destroy his regime and to take revenge." The group denounced the special military court's decision to hand down 22 death sentences against militants. The government has executed nine men and is expected to put to death the remaining inmates on death row soon.

They form the strongest and broadest-based opposition to Egypt's secular and authoritarian government, and are linked to a wider wave of anti-Western sentiment among Muslims in the Middle East and elsewhere.

Within their ranks, the Egyptian radicals seek a semblance of organization. Exiled militants, including the brother of the man who assassinated President Anwar Sa-

dat, are described as members of a scattered, self-appointed leadership council for the Islamic Group. Some, but not all, of these exiled leaders are described as loyal to Sheikh Abdel Rahman. None of them is well-known in the West.

The sheikh's role is not as organizational effort or chairman of the board. Rather, he has served for more than a decade as a strident and inspirational religious leader to sections of these activists.

How did Sheikh Abdel Rahman rise from a fiery but local preacher in Egypt to an international symbol of radical Islam? And what has been his actual role in the Egyptian and international Islamic movement?

One place to begin is Oct. 6, 1981, with the assassination of President Sadat.

Largely through military trials after Mr. Sadat's death, a wealth of new information came to light about the structure, ideology and leadership of Egypt's most radical Islamic groups. Many of the organizations and leaders identified at that time remain at the heart of violent Islamic radicalism in Egypt today, according to movement participants, scholars and published testimony.

His new role has come through a combination of circumstance, luck and media attention. But as one of his lawyers said this week in Cairo: "He has become an international symbol — just like the Pope in Rome."

scribed as the same today, in many ways, as it was during the time of Mr. Sadat's assassination.

His new role has come through a combination of circumstance, luck and media attention. But as one of his lawyers said this week in Cairo: "He has become an international symbol — just like the Pope in Rome."

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→ China (toll free)	1-800-829-3843	→ Nicaragua	02-16	
→ Denmark	0045-0016	→ Panama (Panama City)	05-800-877-8000	
→ Finland	1-800-877-8000	→ Paraguay	005-12-000	
→ France	0033-01	→ Peru	005-100	
→ Germany	1-800-877-8000	→ Philippines (Manila)	005-101	
→ Greece	0030-01	→ Portugal	0035-400-2015	
→ Hong Kong	00852-01	→ Puerto Rico	00264-877	
→ India	0091-01	→ San Francisco	172-1877	
→ Indonesia	0062-021	→ Singapore	0065-477-8000	
→ Ireland	00353-01	→ South Africa	0027-59-003	
→ Italy	0039-01	→ Spain	0034-1	
→ Japan	0081-01	→ U.S. Local	001-785-811	
→ Korea	0082-01	→ Switzerland	0041-477	
→ Kuwait	00965-01	→ Taiwan	0086-14-8877	
→ Luxembourg	00352-01	→ Thailand	0066-11-877	
→ Macao	005-8258	→ United Kingdom	0044-20	
→ Malaysia	000-021	→ United States & Canada	1-800-877-8000	
→ Mexico (Mexico City)	05-800-877-8000	→ Turkey	0090-1-8001	
→ Mexico	05-800-877-8000	→ United Arab Emirates	0097-800-877	
→ Netherlands	004-020-018	→ United Kingdom	0044-20	
→ New Zealand	000-999	→ U.S. Local	1-800-877-8000	
→ Nicaragua	02-16	→ Vatican City	1-800-877-8000	
→ Panama (Panama City)	05-800-877-8000	→ Venezuela	0054-177	
→ Paraguay	005-12-000	→ Venezuela-English	800-1111-0	
→ Peru	005-100	→ Venezuela-Spanish	800-1111-1	
→ Philippines (Manila)	005-101			
→ Portugal	0035-400-2015			
→ Puerto Rico	00264-877			
→ San Francisco	172-1877			
→ Singapore	0065-477-8000			
→ South Africa	0027-59-003			
→ Spain	0034-1			
→ U.S. Local	001-785-811			
→ Switzerland	0041-477			
→ Taiwan	0086-14-8877			
→ Thailand	0066-11-877			
→ United Kingdom	0044-20			
→ United States & Canada	1-800-877-8000			
→ Turkey	0090-1-8001			
→ United Arab Emirates	0097-800-877			
→ United Kingdom	0044-20			
→ U.S. Local	1-800-877-8000			
→ Vatican City	1-800-877-8000			
→ Venezuela	0054-177			
→ Venezuela-English	800-1111-0			
→ Venezuela-Spanish	800-1111-1			

AMERICAN TOPICS

An Appeal to End Law Jokes Backfires

A campaign by the president of the California State Bar to end lawyer-bashing has instead triggered a flood of calls to radio talk shows denouncing attorneys and has inspired even more jokes at lawyers' expense.

Even many lawyers were annoyed when the bar president, Harvey Safenstein, after the killings of nine people in a San Francisco law office, called for a "cease-fire" on lawyer jokes.

Ray Reynolds, an attorney who publishes a law journal, said: "Harvey's comments are the ultimate lawyer joke — asking that lawyers be singled out for special treatment."

Short Takes

When birds hatch, they attach themselves to the first thing they see and follow it around. In the wild, this almost invariably is their mother. But birds have "imprinted" on people, cars, even boats. Now, two experts — William Lishman, a Canadian pilot and artist, and William Sladen, an authority on waterfowl — plan to use this knowledge to

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THE TOKYO SUMMIT / AVERTING THE ISSUES

A Lame-Duck Leader Crosses Trade Tangle Unscarred

By Steven Brill

International Herald Tribune

TOKYO — As Prime Minister Kiichi Miyazawa bade farewell to his guests at the Group of Seven summit meeting on Friday evening, he could have been pleased that Japan escaped the ordeal largely unscathed.

Despite, or because of, his status as a lame duck, Tokyo deflected heavy pressure to stimulate its economy and open its markets.

Yet the frictions that have tarnished Japan's image with many of its trading partners have not been smoothed out, only swept under the rug. They are likely to emerge in full force once a new government takes shape after general elections later this month.

"We've had a week of diplomatic niceties," said Jesper Kofot, economist at S.G. Warburg. "But after the summit smoke clears, it's back to the cold trade war."

Indeed, by Friday the veneer was already beginning to peel.

The United States and Japan, which had hoped to reach a deal by Saturday, remained unable to report agreement in talks over a trade accord, with Tokyo still refusing to accept U.S. demands for numerical import targets.

And European officials began sending notice that they were again pointing the finger of blame at Japan for not doing more to stimulate its economy.

"Something more must be done," said the EC vice president for economic and monetary affairs, Henning Christophersen. "I think we will have to come back to this after the election."

Only Japan, they argued, has the wherewithal to stimulate its economy further. Doing so is essential,

they say, to cutting a trade surplus that could balloon to \$160 billion this year, and to giving recovery in Europe and America a lift.

Yet Tokyo, thanks to support from the Europeans, blocked a U.S. attempt to target a 3 percent growth rate for the G-7. It also avoided direct language in the economic declaration committing itself to further pump-priming.

"The pressure was lessened by the fact that Miyazawa's lame duck," said Minsok Sasaki-Smith, economist at Morgan Stanley. "It allowed Japanese negotiators to be noncommittal." Japan's Liberal Democratic Party lost a no-confidence vote last month, and its 38-year monopoly on power is expected to end with elections July 18.

Friday's economic declaration, at least on the surface, implies no change in Japanese policy. The declaration, Mr. Miyazawa said, "constitutes a confirma-

tion of something that is taken as common sense rather than obligating Japan to take certain steps with a certain timing."

On closer reading, however, the declaration highlights the determination of Western nations to continue pressing Japan to reflate its economy further unless it recovers convincingly in the coming months.

On Thursday night, U.S. and European officials pushed to tighten the wording to the economic declaration. A reference to the need for "medium-term fiscal prudence" was changed to "long-term fiscal prudence." The change implies expectations that Japan's Ministry of Finance will issue short-term bonds to finance additional government stimulation, most likely in the form of increased tax cuts.

The final version also showed strong wording on the need for Japan to "significantly" reduce its external surplus.

For the President, 'It Came Together' A Splash on the World Scene

By R. W. Apple Jr.

New York Times Service

TOKYO — "It all came together for the president here," Mickey Kantor, the U.S. trade representative, said Friday.

"I want to avoid unnecessary bugging," Secretary of State Warren M. Christopher added, "but it does seem to me that President Clinton has arrived on the world scene with a good deal of emphasis."

Bill Clinton won in November by promising to put domestic policy ahead of foreign policy. In his campaign and in the early weeks of

complain, with the ruling Liberal Democratic Party racked by scandal and Prime Minister Kiichi Miyazawa almost certainly in his last 10 days in office.

Mr. Clinton may have spent this week on the far side of the Pacific Ocean, talking to foreigners, but he and all his senior aides lost no chance to direct public attention to the domestic scene. He found time in a punishing schedule, for instance, to record a radio address about the Mississippi River floods.

And everyone remembered the campaign motto: "It's the economy, stupid."

The agreement to reduce tariffs on manufactured goods would create 1.4 million American jobs, said Treasury Secretary Lloyd Bentsen, in a piece of artful hyperbole that no one could dispute.

Could the United States really afford aid for the Russians? "There's a lot of business to be done in Russia by Americans to create American jobs," the president said Friday.

A "jobs summit" was cooked up by the White House and sold to the leaders of the six other nations in Tokyo. A trade deal with Japan was touted by Bill Clinton, traveling salesman, as something that would "mean lots more jobs for our folks" and for Japan, too.

The White House labored mightily to turn discussions about arcane terms of trade and international economic formulas into tangible pocketbook issues. Clearly in an expansive mood, the president capped the effort at his news con-



Prime Minister Miyazawa during a press conference Friday.

ference Friday with the comment that it would be fair to describe this as "a jobs summit."

"When people are having a tough time making ends meet, they don't tend to be very happy with their political leaders," Mr. Clinton acknowledged, but he added: "Notwithstanding that, this summit produced real substantive benefits for the people who sent these leaders here."

Relatively little was said about what had not been accomplished in the quest for fuller employment. The vexed subject of agricultural tariffs, which sharply divides the United States from France and, to a lesser degree, the other European nations, was barely addressed.

The economic communiqué did not contain a 3-percent target for annual growth, as the United States had urged. There was less aid for the Soviet Union than Mr. Clinton had wanted.

As he said at the news conference, Mr. Clinton was strengthened

here by his success in pushing his budget package, with its deficit-reduction measures, through both houses of Congress. He was able to urge lower European interest rates and more accessible Japanese markets without fearing the rejoinder that Ronald Reagan and George Bush heard so often from their colleagues: "First cut your deficit and then we'll listen to your sermons."

But that could prove transitory. After his visit to South Korea and the briefest of Hawaiian vacations, the president will return to Washington to face the immensely complicated task of persuading both houses to pass the same bill. Success is by no means assured.

"I am hoping," the president said at his news conference, "that what happened this week will strengthen the resolve of the Congress to go ahead and pass the economic plan and to do it in short order. We've got a lot of other things on the agenda, so we've got to get the economic plan passed."

Practical Approach By U.S. on Tariffs

By Keith Bradsher

New York Times Service

WASHINGTON — The tariff-reduction agreement reached at the Tokyo summit meeting resulted from a newly pragmatic U.S. negotiating policy that favors striking narrow deals when they are available instead of holding out for a broad one.

Several politically complicated industrial issues, like European tariffs on computer chips or American textile barriers, were excluded from the deal at the Group of Seven meeting in favor of cutting levies on other manufactured goods.

The Tokyo arrangement "is a se-

rules of international trade all at once.

In his first three months, for example, Mr. Kantor partly settled a long squabble over the refusal of European state-owned utilities to buy American electrical and telecommunications equipment. Mr. Kantor persuaded the Europeans to accept American power-generation equipment while the two sides imposed modest trade sanctions to symbolize their disagreement over telecommunications equipment.

Most important, the tariff compromise assured that world leaders had something to show beyond words from the Tokyo summit meeting. Chancellor Helmut Kohl of Germany had said here in March that if the participants labored mightily merely to produce another pledge of commitment to world market-access accord, "ain't over 'til it's over."

Curiously, while the Republican Party has been the leading advocate of free trade for several decades, no Republican president since Dwight D. Eisenhower has concluded a round of GATT talks. Presidents Ford, Nixon, Reagan and Bush all struggled unsuccessfully to achieve ambitious deals.

Mr. Kantor seems instead to be following closely the example of his longtime mentor, adviser and confidant, Robert S. Strauss, Mr. Strauss, a former head of the Democratic Party who became trade representative under President Jimmy Carter, wrapped up the last world trade round in 1979 by abandoning the free-trade positions of his Republican predecessors on agriculture.

The 1979 deal excluded agricultural issues like the ones that bog down the current talks, and included separate, voluntary, codes on procurement and subsidies that many GATT member nations never bothered to endorse. Yes, the result was a deal that expanded international trade, although not as much as some experts had hoped.

Similarly, a world trade deal this year could lock in significant compromises made last year on curbing farm subsidies, protecting patents and copyrights and helping international investors.

Mr. Kantor's actions this week have followed a pattern that suggests the U.S. goal now is less ambitious, in line with the policies of past Democratic administrations that preferred to strike limited deals rather than seek to rewrite the

Economic Excerpts:

The Associated Press

The main points of the economic communiqué adopted Friday at the Tokyo summit meeting:

GROWTH

The communiqué urged the world's three dominant economies—the United States, Japan and Germany—to continue with initiatives they have launched to combat sluggish growth in their respective countries. But it rejected a U.S. proposal to set a goal of 3 percent annual growth.

TRADE TALKS

The leaders pledged to finish global trade talks by the end of this year, but the communiqué hinted at problems to be overcome. It noted, for example, strong French objections to accepting a portion of the trade deal that would call for sharp cuts in farm subsidies.

TRADE SURPLUS AND INTEREST RATES

Japan promised to seek a significant reduction in its huge trade surpluses, which is regarded by its Group of Seven partners as a major drag on the world economy. In turn, the European countries promised to work toward lower interest rates. And the United States promised to keep on the present course of cutting its budget deficit, something the other nations have long urged.

RUSSIA

The communiqué endorsed a proposal to establish a \$3 billion fund to encourage privatization of large state-run enterprises in Russia.

JOBS

The communiqué also endorsed a U.S. proposal for top economic officials from around the world to attend a "jobs summit" this autumn in the United States to seek ways of overcoming world unemployment.

G-7: Little Progress on Economy

Continued from Page 1

tariff-cutting "market-access" package concluded this week by trade officials from the European Community, the United States, Japan and Canada.

"It's clearly a significant step," said Prime Minister John Major of Britain. "The summit has acted as a catalyst."

But the summit leaders also echoed Casey Stengel in conceding that the Uruguay Round, despite the "breakthrough" in forging a market-access accord, "ain't over 'til it's over."

"Nothing is agreed until everything is agreed," the final statement said.

"I insisted on this," said Mr. Mitterrand, who also reiterated French opposition to the November accord between the United States and the European Community to slash export subsidies to farmers.

But while Mr. Mitterrand sought to undermine prospects for completing a GATT agreement, analysts pointed out that many of the political leaders were under pressure to play largely to their home audiences.

"The United States negotiates trade deals with the European Community, not with France," said Jeffrey Schott, a senior fellow at the Institute for International Economics in Washington. "France's complaints with the U.S. and the rest of the world should not ignore it."

Unsettled political and economic situations in many of the G-7 countries accounted for much of the lack of progress at the meeting. "Countries are self-absorbed," a senior State Department official told The Washington Post. "It's hard to get them to focus outside themselves. That includes the United States."

Italy, for example, is in the midst of a public revolt against government corruption. Prime Minister Carlo Azeglio Ciampi wanted to draw attention to Somalia, where three Italian peacekeepers were killed recently, but was unable to drum up support for mention of the chaotic

sub-Saharan country in the political column.

The new Conservative prime minister of Canada, Kim Campbell, must face voters by the fall, leading opposition politicians to deride her promotion, which she inherited from Brian Mulroney after he resigned in the face of plummeting popular approval, as just a "summer vacation job."

Germany is battling a wave of racist violence and the difficulties of digesting the former East Germany. Mr. Kohl, easily deflecting efforts by others to encourage Germany to relax its interest rates, said there was little he could do as long as the Bundesbank was worried about German inflation.

"Reduction of interest rates would not remedy the world economy," he said. "Nothing is more anti-social than inflation, because it robs the masses of property."

Prime Minister Kiichi Miyazawa of Japan and his government face elections July 18. Despite the importance Tokyo placed on putting on a good front, the country has been focused on the parliamentary campaign, not the summit meeting.

In an act of looking inward, Mr. Major found some support—from Canada and the United States—for reducing the pump and ceremony surrounding the annual meetings. But France, Germany and Italy objected to any plan to limit future talks to heads of government alone, preferring to leave open the door for other members of parliament to attend, and have a moment in the limelight.

For now, the leaders simply promised to do their own thing. Washington pledged to stand by its plan to trim the budget deficit as other nations have long urged it to do. Japan, while resisting any specific commitments, said it would try to reduce its trade surplus, seen by its partners as a drag on the world economy. And Europe said it would look for ways that might allow interest rates to fall.

Tom Redburn in Paris contributed to this report.

For investment information, read THE MONEY REPORT every Saturday in the IHT.

Clinton Hears Gripes of Firms in Japan

By T.R. Reid

Washington Post Service

TOKYO — Robert Fallon's trade problem involves something called "foreign exchange options derivative instruments." As Japan manager for New York's Chemical Bank, Mr. Fallon had a booming business in this sophisticated range of financial instruments until Japan's Finance Ministry issued "administrative guidance" against them.

Ernest M. Higa's trade problem involves pepperoni. As the manager of Domino's Pizza in Japan, Mr.

Higa has had few problems with the Japanese government but has had one heck of a time educating Japanese consumers about exotic terms like "pepperoni," "anchovies," and "Chicago style."

As President Bill Clinton learned Friday when he met with Mr. Fallon, Mr. Higa and other American business people in Tokyo, U.S. companies' problems in this difficult but lucrative market come in many shapes and sizes.

Some Americans, like Mr. Fallon, badly need the kind of direct U.S. pressure on Japan's government that Mr. Clinton has made

the centerpiece of his trade strategy toward Japan. Others, like Mr. Higa, need nothing more than their own ideas, initiative and investment.

For them, some of Mr. Clinton's policies may be less than helpful. The U.S. business people unanimously agreed, for example, that a company needs a visible long-term presence in Japan to succeed here, but the Clinton administration's strategy of weakening the dollar against the yen makes a Japan presence all the more expensive.

Mr. Clinton took part in a roundtable Friday with members of the American Chamber of Commerce in Japan about the profits and pitfalls of doing business in the world's second-richest country.

The president used the occasion to reiterate the point he made all week in Japan—that greater openness in Japanese markets would be good for Japan as well as the United States.

Maurice A. Renshaw, president of Warner-Lambert Co.'s Japan division, noted that Schick, a Warner-Lambert brand, ranks No. 1 in the razor market with a 70 percent share; countless other products, such as Trident sugarless gums, are also successful in Japan. "But we ran up almost 20 years of losses here because we could not rely on the distribution system to

get out products into small retail stores," Mr. Renshaw said. "So we hired and trained our own national sales force. Today we have 1,000 employees in Japan and \$500 million in annual sales."

But other executives reported trade barriers directed by the Japanese government—barriers that will require pressure from Washington to overcome.

Judy David, of Apple Computer Inc.'s Japan arm, noted that government controls had made it extremely hard for Apple to get the same kind of access to the school market in Japan that it has in most other developed countries.

And Mr. Fallon laid out the story of derivative contracts on foreign exchange options.

"Foreign banks built up a big lead in this type of business because we are much better equipped to handle sophisticated financial products like that," Mr. Fallon said.

"And then the MOF," he said, referring to Japan's Ministry of Finance, "quietly put out guidance killing this business. Because, frankly, the market share was largely in the American banks."

"The Japanese have said that 'managed trade' is a no-no," Mr. Fallon concluded. "Well, the MOF is engaged in managing trade in Japan."

YELTSIN: Joining in the Fun

Continued from Page 1

ulatory note. He added that he planned to open talks on the issue that has caused the most friction between Japan and Russia, a dispute over the future of the Kuril Islands, which both countries claim.

Mr. Yeltsin also called for G-7 nations to reduce or drop trade barriers that he said discriminated against Russia.

Meanwhile, U.S. officials continued to bolster Mr. Yeltsin, praising him as a skillful reformer who had proved that he deserved the international aid he arrived here this week to collect.

As part of their economic declaration, the G-7 nations agreed Friday to contribute \$500 million to the \$3 billion privatization fund.

Administration officials took pains to present Mr. Yeltsin as an

equal participant, rather than as a beggar seeking handouts.

One official summed it up: "What was important to President Yeltsin, and he and his government made this very clear in advance, is that he be treated here not as a supplicant, not as the head of a basket-case country that was coming here with hand in hand."

UN Seeks to Send Ex-Soviet Mission

New York Times Service

UNITED NATIONS, New York — The Security Council unanimously approved a resolution Friday aimed at establishing a UN peacekeeping operation in the breakaway Abkhazian region of Georgia, which would be the first such force in a former Soviet republic.

The resolution requests that Secretary-General Boutros Boutros Ghali send a special envoy to Abkhazia to help negotiate a cease-fire and make preparations for the deployment of 50 UN observers.

The civil war there began 11 months ago when Georgia sent thousands of troops to Abkhazia, which had declared independence.

Czechs Aim to Protect Ozone

Reuters

PRAGUE — The Czech parliament has passed a law, to take effect in 1996, that will ban the export and use of materials that damage the ozone layer, a parliamentary spokesman said.

ANAGRAMANIA By Ernst Theimer

© New York Times, edited by Eugene Malachuk

ACROSS

1 "The Dunciad" poet

5 Wins at chess

10 Indian melodies

15 Swindle

19 Actor Williams of "A Different World"

20 Ibsen's "An — of the People"

21 Warn

22 So long

23 He is a near anagram of 100 Across

25 They are a near anagram of 100 Across

27 Outerwear

28 Tribal symbol

30 Devilfish

31 Forum wear

32 Place

33 Summary

34 Beginning in Ayr

37 Kind of eclipse

38 States firmly

39 Wretched

40 Throne claimant

42 Cosset

45 Frost's "The Witch of —"

46 To — (precisely)

48 Wyeth medium

49 The Magi, e.g.

50 Initials at Temple

51 See 100 Across

55 Vowed

56 Winchester, e.g.

59 Grampuses

60 Options

62 Filling

63 Type size

64 Greene of "Bonanza"

65 Middle linesmen

67 Vein

68 Agons

71 "Peter Grimes," for one

72 Pierce

74 Pose

75 Promising

76 Kensington Park vehicle

78 Pale

79 Lot or spot

80 Onager

81 These are a near anagram of 100 Across

84 Cosset

87 Frost's "The Witch of —"

88 Conked

89 Convoys

92 Winged ant

93 Egyptian Christian

94 Culmination

95 Wind Comb. form

96 Ledger entries, a Concord

100 With 51 Across, a Concord

102 Fitting anagram of 100 Across

104 Mideast ruler

105 Reliance

106 Kind of jack or suit

107 Albacore

108 Fabled septet

109 Loudness units

110 Adventure tales

111 Ooze

DOWN

1 Covenant

2 Melville novel

3 Wally — of baseball fame

4 Builders

5 Household

6 Singer Baker

7 Getz shoes

8 Ratite bird

9 Opposite of ecstasis

10 Bilis

11 Agalloch

12 Microbe

13 Electrode bridge

14 Poets

15 Restricts

16 Section of a Pound poem

17 The —, TV rescuers

18 Billiard stroke

24 Spacious

26 Poker holdings

29 One — (slotlet game)

32 Post's spouse

33 Daredevil

34 Emma Thompson's award 1983

35 Loop for Captain Lynch

36 An anagram of 100 Across

37 Asparagus unit

38 Mine entrance

41 Vikings

42 A near anagram of 100 Across

43 European republic

44 Digits

46 Rose oil

47 Douce beaters

49 Court

52 Wise lawgiver

53 Lezantine group

54 Musical group

55 Kind

57 Admission

58 Epithet of Athens

59 Mine entrance

60 Fabric

61 Fly catcher

63 Fragrant resin

65 J. F. Cooper heroine

66 Heroic poetry

68 Wine disorder

69 Legal document

70 Pegasus, for one

72 Moccasin

73 Hindu noblewoman

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Seoul Fears U.S. Strategy Could Tempt North to Attack

By Michael Richardson
International Herald Tribune

SINGAPORE — South Korea, facing an increasingly unpredictable military threat from the North, is worried that a new defense strategy being developed by the United States may encourage Pyongyang to launch an all-out attack, officials say.

The strategy is intended to reshape American forces so that they can cope with two regional conflicts in different parts of the world at the same time.

The issue is being hotly debated in Washington, where many analysts believe that budget cuts will force the United States to adopt a policy known as win-hold-win, in which American forces would try to hold the line in one regional conflict until they could win the other.

South Korean officials are concerned that the United States might give priority to a crisis — in, for example, the Gulf — that erupted ahead of fighting on the Korean Peninsula.

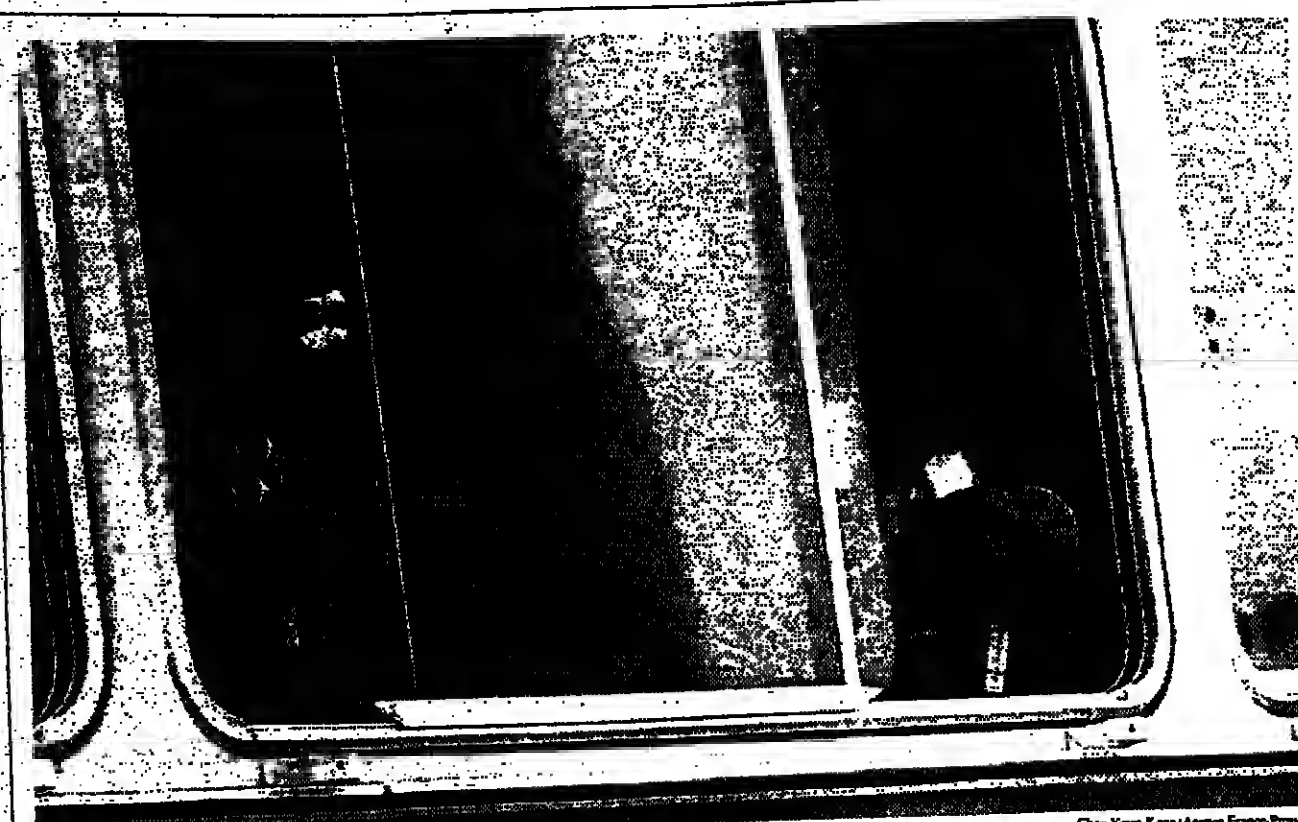
They say that the question will be raised during the visit of President Bill Clinton to South Korea on Saturday and Sunday.

Mr. Clinton reassured South Koreans on Friday that despite military cuts, the United States would keep troops in Asia and honor defense commitments to its allies.

That is the position that the United States takes, and I think that we have to adhere to it very firmly, Mr. Clinton said Friday at the conclusion of the economic summit meeting in Tokyo.

A South Korean military official said Friday that a win-hold-win strategy might tempt communist North Korea to launch an attack on the South, if U.S. main forces were engaged elsewhere.

In testimony to the Senate Armed Services Committee in Washington in April, General Robert W. Rife, the American commander in chief of combined U.S.-South Korean forces, gave a similar warning. He said that if the United States became involved in



A South Korean riot policeman catching up on his sleep Friday on a bus before going on duty to protect the U.S. Embassy.

a major operational deployment to an out-of-Korea contingency, North Korea could see this as an opportunity.

It was therefore important, General Rife said, for America to maintain "strategic flexibility" to respond to two regional scenarios simultaneously.

The United States has 36,000 troops stationed in South Korea.

Han Seung-soo, South Korea's ambassador to Washington, said in Seoul that Les Aspin, the U.S. defense secretary, would be asked to set out the official position on the strategy and how it applied to the Korean Peninsula.

Mr. Aspin, who is traveling with Mr. Clinton,

sought to calm South Korean concerns last week before flying to Asia.

He said that after much discussion and analysis, U.S. military planners had "come to the conclusion that our forces might be able to fight and win two major regional conflicts, and nearly simultaneously."

However, William T. Tow, a defense specialist and senior lecturer in the department of government at the University of Queensland in Australia, said that South Korean military authorities remained apprehensive over reliance on U.S. air power in the initial stages of any new conflict with North Korea might not be enough to repulse an attack.

Since Wednesday morning, when the boarding procedures were complete, officials in Washington, under the supervision of Vice President Al Gore, have been "trying to figure out what to do because there are no easy options."

Another official said, "There are complexities because they are not in our jurisdiction. They are not here yet."

Mr. Clinton pledged June 18 to allow the Coast Guard wide leeway to go into international waters to board ships suspected of carrying Chinese intending to enter the U.S.

South Koreans Arrest Students Protesting Visit

The Associated Press

SEOUL — The police arrested 500 students here Friday when they went into the streets to protest a visit by President Bill Clinton.

The protesters shouted that Mr. Clinton, due Saturday for two days, was coming to press South Korea to open its farm markets.

"We oppose Clinton's visit!" students shouted as police officers took them away from a street outside Dongguk University, 700 meters (half a mile) from the hotel where 140 White House personnel are staying.

Radical students had planned a major anti-U.S. rally on the Dongguk campus, but the police thwarted them by sealing off the campus before dawn.

Surrounded by 800 police officers, about 500 students lay in the street with their arms interlocked. Police officers dragged them away one by one.

More than 33,500 Americans were killed in the war, which has still not been formally ended, and Washington says more than 8,000 remain unaccounted for.

North Korea said Friday it would return the remains of 17 American soldiers killed during the Korean War, a rare gesture of reconciliation on the eve of President Clinton's visit to South Korea, Reuters reported from Seoul.

A spokesman for the U.S. Army garrison in South Korea said the remains would be handed over on Monday across the military demarcation line at Panmunjom, the sole crossing point on the frontier.

Officials said their initial determination was that most of the 659 Chinese on the three ships were linked to crime rings. Among the evidence is the boat captains' assertion that they were sailing under the flag of Taiwan, which after a daylong check could not confirm this.

The ships, one official said, amount to "pirate" ships because they violate international law on country of registry.

In Los Angeles, Virginia Kice of the regional immigration office, said: "Our intent is to keep them in international waters until a decision can be reached."

The immigration service estimated in June that about 100,000 Chinese had been entering the United States illegally each year, mostly by ship.

Clinton Says U.S. And Allies May Act In Iraq Standoff

Compiled by Our Staff From Dispatches

TOKYO — President Bill Clinton said Friday that the United Nations standoff with Iraq over weapons inspection was serious, and he raised a possibility of joint allied action.

Speaking at a news conference after the Group of Seven summit meeting, Mr. Clinton ruled out individual U.S. action, such as the cruise missile attack against Iraqi intelligence headquarters in retaliation for a reported Iraqi plot to kill former President George Bush.

On Thursday, Rolf Ekeus, chairman of the UN commission in charge of destroying Iraq's weapons of mass destruction, said inspectors would arrive in Baghdad on Saturday to seal two missile test sites, thereby temporarily thwarting any development of missiles.

His announcement followed the withdrawal on Monday of UN inspectors from Baghdad after they had been prevented from installing cameras at missile sites.

"I think it is serious," Mr. Clinton said of the latest standoff between Baghdad and the international community.

Asked about the possibility of a response, he replied: "The response should be a multilateral one."

President Clinton said that the individual military strike launched by the United States against Baghdad was appropriate because it involved an attempt on the former U.S. president and was covered under international law.

Talks at the United Nations, meanwhile, continued inconclusively on allowing Iraq to sell oil to buy food and other essentials.

United Nations officials insist that there is no question of lifting the trade embargo that was imposed after Iraq invaded Kuwait in August 1990. It was maintained later as part of the cease-fire. They emphasized that the talks concerned only a limited sale of oil. (Reuters AP)

CANCER: Targeting Tumor Cells

cers in 70 percent of mice in which human tumors of the breast, lung and colon had been implanted and allowed to proliferate for 2 weeks to 26 days. It also cured human lung tumors in 94 percent of rats bearing them.

By comparison, rodents left untreated, given doxorubicin alone, or injected with antibodies that did not bear a chemotherapeutic cargo, quickly perished from their tumors.

In most previous animal experiments that have seen supposedly miraculous cures of cancer, researchers have applied their treatment within several days of implanting the creatures with tumor cells.

"These were real tumors that had been growing for quite some time," said Dr. Pamela A. Trail, the lead author of the new report. "And the monoclonals had to penetrate a tumor mass that was a significant percentage of the animal's body weight."

What is more, the normal tissue of the rodents did not seem harmed by the monoclonal treatments, which suggested that the antibody proteins hunted down tumor tissue.

But the researchers caution that the molecule against which the monoclonals are directed is also found on some types of normal cells, although to a far more limited extent than on tumor cells. Whether this will make a difference for

cancer patients remains to be tested.

In the ideal world of magic-bullet therapy, the monoclonals would recognize only cancer tissue, and this would have a big advantage over current anti-cancer drugs, which kill normal cells almost as well as they do cancer cells.

"This is an important study, but it's a mouse study," said Dr. David Schenberg, chief of the leukemia service at Memorial Sloan-Kettering Cancer Center in New York, who also is studying antibody therapies. "Whether this work can be translated to humans, of course, is still a question."

4 Russian Troops Die Near Leipzig

LEIPZIG — Four Russian soldiers were killed in a shooting incident near Leipzig on Thursday night, the police said.

The police arrested a fifth soldier, who was unharmed, and said they believed there had been a dispute among the men. None ranked higher than major.

The soldiers were members of an armed escort accompanying a supply train loaded with ammunition, but there was no indication that organized crime was involved.

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The soldiers were members of an armed escort accompanying a supply train loaded with ammunition, but there was no indication that organized crime was involved.

Body Hurtles From the Sky

The Associated Press

PARIS — A human body came hurtling into Bernard and Denise Bisson's garden just north of Paris, and the couple said Friday that they believed it was a stowaway aboard an airplane.

The Bissons and the police could not give an explanation except that the man, who carried no identification papers, may have stowed away in the landing gear compartment of an airplane on its way to the nearby Charles de Gaulle International Airport.

U.S. Asks Mexico to Help With 659 Chinese at Sea

By Ann Devroy and Al Kamen
Washington Post Service

WASHINGTON — Three weeks after President Bill Clinton announced stronger efforts to curb the smuggling of Chinese into the United States, he has decided to ask Mexico to help intercept 659 Chinese still on ships and to allow the United States to process them.

The Chinese were detained on three midwest freighters boarded Tuesday in the Pacific by the U.S. Coast Guard. The ships, which were in international waters off Mexico, were moved nearer to San Diego while the government strug-

gled over what to do — in line with Mr. Clinton's declared policy.

A senior official said an inter-agency task force recommended to Mr. Clinton on Thursday night that Mexico be asked to allow the Chinese to land on their territory and that the UN High Commissioner for Refugees be asked to determine whether any deserved asylum.

The recommendation, approved by Mr. Clinton in Japan, where he has been attending the Group of Seven economic summit meeting, is aimed at keeping the Chinese out of U.S. territory. If they reached the United States, their appeals for political asylum would take longer

and would probably end up being treated more leniently.

Since Wednesday morning, when the boarding procedures were complete, officials in Washington, under the supervision of Vice President Al Gore, have been "trying to figure out what to do because there are no easy options."

Another official said, "There are complexities because they are not in our jurisdiction. They are not here yet."

Mr. Clinton pledged June 18 to allow the Coast Guard wide leeway to go into international waters to board ships suspected of carrying Chinese intending to enter the U.S.

illegally. Officials said the boarding was the first strong example of that.

He affirmed a new Immigration and Naturalization Service policy, adopted a few weeks earlier, calling for mandatory detention of Chinese smuggled into the United States by organized-crime rings.

In this case, officials are trying to avoid having the Chinese treated under U.S. law, which allows asylum on a claim of "persecution" because of China's one-child population-control policy.

Officials said their initial determination was that most of the 659 Chinese on the three ships were linked to crime rings. Among the

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INTERNATIONAL Herald Tribune

Modest Steps in Tokyo

Mickey Kantor, the U.S. trade representative, declared the trade agreement announced by the industrialized countries in Tokyo...

Jakarta's Needless Burden

First Bill Clinton, reversing Reagan-Bush policy, joined a tough resolution in the United Nations criticizing Indonesia on human rights...

A Further Duty to Haiti

Getting the Haitian military to agree to a timetable for returning President Jean-Bertrand Aristide to power is a considerable achievement...

Other Comment

An Energetic Start on Asia

In his first trip abroad as president of the United States, Bill Clinton has been occupying center stage in Tokyo...

G-7: Flawed Analysis, Sterile Remedies

By William Pfaff

PARIS — The Group of Seven meeting in Tokyo has echoed to conventional analysis of what is wrong with the world economy...

The countries that benefited most were Germany and Japan: the two which had lost the most during the war...

disappointment. The Thatcher years have left Britain in a mood of unprecedented pessimism. Now even Japan's boom has crashed in scandals...

Clinton Sees Beyond Japan, and That's Good for All

By Hobart Rowen

WASHINGTON — In Tokyo on Tuesday, just before the start of the economic summit meeting...

Ms. Stern, president of a consulting firm in Washington, said in a recent speech that 'the Asia-Pacific region represents the best prospect for U.S. exports'...

Kim the Reformer Is Out on a Long Korean Limb

By Donald Kirk

SEOUL — The anti-corruption campaign led by President Kim Young Sam is creating tremors in South Korea...

anti-graft squad said Friday that it had found evidence that two ex-defense ministers and four former senior military officials took more than \$2 million in bribes from arms dealers...

Goading and Girding For a Go at Sir Ross

By David S. Broder

WASHINGTON — With President Bill Clinton off summering, Washington has been trying to divert itself with speculation about his No. 1 critic, Ross Perot...



THE WRITER, WHO IS PREPARING A BOOK ABOUT KOREAN BUSINESS, CONTRIBUTED THIS COMMENT TO THE HERALD TRIBUNE.

Challenges Worthy of Ex-Heroes

By Anthony Lewis

JOHANNESBURG — 'They have made the transition from heroism to politics,' a lawyer said. He was speaking of Nelson Mandela and the others who spent years in prison or exile or jeopardy for resisting apartheid...

The ANC made those steps to democracy possible by concessions at the negotiating table. It agreed to regional power, for one, and to a multi-party government of national unity for five years after the election...

Violence will surely be a threat to the new government. There are millions of guns, as private, mostly white, hands. Black divisions are serious...

South Africa has such great resources, human and material, that success here could uplift much of Africa. With all the difficulties, my bet is on success.

Advertisement for International Herald Tribune, listing staff members like Katharine Graham, Arthur Ochs Sulzberger, and Richard McLean.

Historical snippets: '1893: No Bastille Day' (Paris Municipal Council today passed a resolution), '1943: Sicily Attacked' (Invasion of Sicily by English, American and Canadian forces), '1918: Masters of Moscow' (According to the 'Frankfurter Zeitung' the Bolsheviks are masters of Moscow).

Handwritten Arabic text: 'سنة من الاصل'

Poker Game With Old Master Sketches

LONDON—There is a unique thrill to the Old Masters drawings game, with its shifting labels and its fluctuating degrees of certainty. Some would see it as a sophisticated form of lottery in which the element of chance is corrected to a limited extent by superior knowledge.

On Tuesday, the Christie's sale in which a Michelangelo sketch set the current record for any Old Master drawing at \$4.18 million (\$6.3 million) repeatedly verified the axiom. Within 10 minutes, those attending watched one drawing going up 26 times in price from a previous appearance, 73 years ago, and another remaining unsold at one seventh of the price it realized in New York in 1985.

The success story concerns a drawing that will always give rise to a variety of opinions. The head of a woman



Pontorno sketch, estimated at £800 to £1,200, soared to £34,500.

SOUREN MELIKIAN

looking up was drawn after an ancient Greek sculpture but with eyes and hair inspired from life. This makes it much more difficult to detect a given artist's hand. On April 15, 1980, it came up at Christie's and was summarily dismissed as work from the "Circle of Cavalier d'Arpino." In auction house jargon, "circle of" means "from the period and faintly suggestive of" so-and-so. The price was a noncommittal £20.

This week everything changed. The drawing was elevated to the status of an Annibale Carracci. Reading the fine print, it was difficult to determine how much faith the catalogue put in his new label. He cautiously notes that "the attribution to Annibale was advanced by Aidan Weston-Lewis." The buyer, New York dealer Paul Weiss, presumably shares this view. Did his opponents? The price of \$5,520 does not seem high for a drawing by the great Caravaggesque painter.

The passage of time was not nearly as kind to a "Marriage of the Virgin" from the "Circle of Domenico Zampieri, il Domenichino." On Jan. 16, 1985, it came up at Sotheby's New York and rose to \$4,125. This week, Christie's gave it the thumbs down. A £500 to £800 estimate points to limited esteem on the expert's part. It crashed at £350.

Far more spectacular antics could be observed on the same day. Among the more striking works of art was a sketch in oil on paper dealing with the theme of "The Pentecost." Draped men seated in the foreground look up at a cluster of women, higher up in the vertical composition. The features are only suggested, with shadows for the eyes, giving the figures a ghostly presence. On June 15, 1983, Sotheby's had sold it as a Domenico Tintoretto for £880. Although the oil technique on paper was much used by Tintoretto, Christie's sees this study as the work of Palma il Giovane, who learned the technique from Tintoretto. As such, it would be much rarer than a Tintoretto. The publication of the artist's complete oeuvre by S. Mason Rinaldi has revealed the existence of an altarpiece with a composition of this type, strengthening the case for Palma il Giovane. "The Pentecost" sold for £8,050. The new identity apparently had the desirable effect.

Those who try their hand at the big poker game otherwise known as the art market should bear in mind, however, that the excitement of discovery quickly dies

down. On July 1, 1986, Christie's offered in a London sale the red chalk study of a bearded man's head after the Antique. The experts strongly felt that it was by Salvatioli but had no specific evidence to offer. The drawing was prudently "attributed to Salvatioli" — which in plain English means "possibly by Salvatioli" — and received a modest £4,000 estimate.

The trick worked. Two connoisseurs convinced that it really was a Salvatioli engaged in a furious bidding contest. Carlo Croce, a Philadelphia surgeon, got the prize for a hefty £32,400. In the event, the head was duly included by Louise Mortari in her monograph on Salvatioli, solidifying the educated guess into doctrinal opinion. But that did not help much. This week, it sold close to the Christie's middle estimate for £24,150, involving a substantial loss for the vendor.

The owner must have found it the more irksome as another Salvatioli, which was a discovery (almost), more than doubled its high estimate, ending up at £12,650.

This is a circular design on the theme of the Zodiac sign Scorpio, probably done as a project for some metal display dish. The sketch is full of fun. It was included in the catalogue of an exhibition called "Il Primato del Disegno" in Milan in 1980 but not many would remember that outside Italy. Christie's did not refresh their memories. The New York collector who bought the delightful Salvatioli design, the design must have had all the novelty of a previously unrecorded work.

All that pales into insignificance compared with the

surprise caused by a sketch unassumingly attributed to the "Circle of Jacopo Carucci, called Pontorno (1494-1557)." Inscriptions reading "Pontorno" can be seen on both sides of the sheet. But the £800 to £1,200 estimate hardly suggests that Christie's experts took these very seriously. Indeed, the extreme rarity of genuine Pontorno drawings makes it obvious that they dismissed them.

Nor is there much to the drawing that invites ecstatic scrutiny. On one side, a draped woman is seen turning her head toward the viewer. Her neck is too long. A child is outlined high up, close to the woman, without relating to her. In the bottom left corner, a crouching character is done like a doodle. Add that the sheet is made up of three joined scraps of paper and shows some bad stains.

As bidding went up to £2,500, few gave it much attention. Eventually, a young dealer often entrusted with bidding commissions chimed in. Then, more surprisingly, a London dealer, Anna Maria Edelstein, a London dealer, between them, they ran up the sketch to £34,500 with the sale premium — 30 times the middle estimate.

The little fracas is a typical Old Master drawings scene occurrence. Acting by proxy to conceal their identities, Jean-Luc Baroni, the brilliant director of Calmaghi Drawings, bidding through the young dealer, had conceded defeat to George Goldner, the curator of Old Masters at the J. Paul Getty Museum.

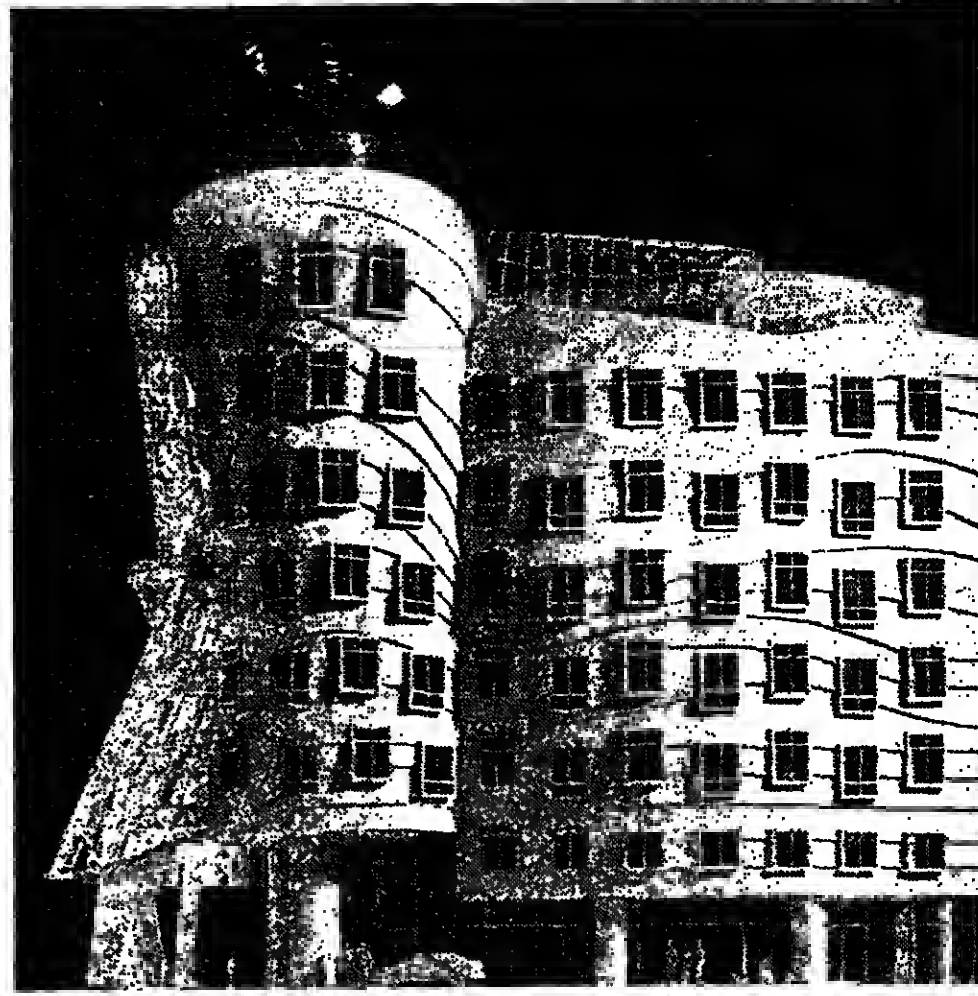
Baroni said in an interview that to him the Pontorno touch is glaringly obvious. He cites the chalk strokes running quickly down, the fragment of a head in profile done in red chalk on a fragment pasted on the back. Too little is left to reveal the subject, but the handling is "typical beyond doubt." Not least, the drawing is connected to a large painting, the altarpiece in the Visdomini Chapel in Florence. "The Woman in drapes is a first idea for the figure on the right in the altarpiece," he said. The crouching putto is "directly related to four surviving sketches of putti made for the altarpiece." He added grudgingly: "The Getty has one of them." And the clumsiness? "Pontorno is expressing his thoughts rather than actually drawing."

Noel Amesley, Christie's top man in Old Master drawings, says that he "seriously considered" the possibility of a Pontorno attribution and discussed it with the vendor, "an experienced collector" who had bought the drawing many years ago "in case there might be something in it."

The real irony lies elsewhere. Had the drawing been catalogued as a Pontorno, it might well have failed to sell. The estimate would have been set somewhere around £25,000 to £30,000. Those who competed over it this week with such zest, deprived of the pleasure of having cleverly spotted the otherwise undetected work of the great man, would have focused on the limitations of the drawing and found it expensive.

Indeed, were the prospects of a brilliant piece of sleuthing seem remote, beauty can be inexpensive. A marvelous "Adoration of the Shepherds" vaguely ascribed to the "North Italian School, mid-16th century" has so far defied every expert's perspicacity. Sold for £14,040 on July 1, 1986, it went up to £19,550 this week. An old inscription, "F. Primaticcio," yields no clue. And where there is no promise of an ego trip, enthusiasm is kept within reasonable limits.

Frank Gehry in Prague
Is City Ready for 'Fred and Ginger'?



Model of Gehry's proposed building on the banks of the Vltava.

Frank Gehry in Prague Is City Ready for 'Fred and Ginger'?

By Burton Bollag
New York Times Service

PRAGUE—Plans to erect an imaginative office building designed by the iconoclastic American architect Frank Gehry have provoked sharp opposition in Prague from those who fear that idiosyncratic contemporary architecture will deface the city's celebrated beauty.

The plans have also revived a perennial and highly emotional debate: Should urban districts with a rich architectural heritage be preserved intact, or can today's architects make a valid contribution alongside the work of their Romanesque, Baroque, and Art Nouveau predecessors?

The Gehry design calls for an eight-story building on an elegant Art Nouveau embankment along the Vltava River, which runs through the center of Prague. The structure would be playfully original in its undulating facade, ending in two semi-attached towers.

One of the towers, curved and gradually widening at the bottom, would be wrapped in a layer of glass raised above its surface, like a woman in a dress. Indeed, the design has been nicknamed "Fred and Ginger" by friend and foe alike, because the two towers, one wearing a glass gown and the other gracefully masculine, evoke the image of Ginger Rogers dancing with Fred Astaire.

If city officials give final approval this summer, as expected, construction could begin this fall and be completed by the end of next year.

THE site happens to be next to the apartment building where Vaclav Havel, president of the Czech Republic, lives. After the communist regime was swept from power in late 1989, the building, originally owned by the Havel family, was returned to Havel. As an owner of neighboring property, Havel was asked by the city to comment on the project. He wrote to say he approved. Those close to the president, who decorates his offices with Expressionist art, say he is actually an enthusiastic supporter.

Backers see the project as "a gift to the city." Although few critics have challenged the design, they argue that it simply doesn't belong in the heart of Prague, where centuries of architectural styles have been harmoniously preserved. "I love the design — it's very serious, but for this site it's bad architecture," said Zdenek Sira, a Prague architect.

Vladimir Slapeta, head of the architectural school of the Czech Technical University, said that in-

novative styles like the "functionalism" of the 1930s created a successful "connection between the new and the old." Gehry's design, he said, clashes with its turn-of-the-century surroundings. "We have to look for reflection, not sensation." At a recent public hearing on the project, much opposition appeared to melt away. A series of often elaborate models showing the evolution of the design were on display. "After seeing the presentation, I can't be counted among the opponents anymore," said Josef Stulc, director of the State Institute for the Care of Historic Monuments. "I think this project will not only not impair Prague, it will enrich it."

The stretch of embankment where the new building is to stand is already imbued with a sense of whimsical creativity from the Art Nouveau structures there. One, originally the headquarters of an insurance company, has an extravagant corner entrance facade with a regal balcony halfway up its seven stories. Two large human figures are above that, and a giant eagle looks down from the top.

The new Gehry project was ordered by Nationale-Nederlanden, the largest Dutch insurance company, which bought the site in December 1991. The rather small piece of choice real estate was rendered empty in 1942 by a bomb dropped from an Allied plane, probably by accident, the Czechs say. The building is expected to cost about \$8.5 million.

Its top floor, which is to be recessed, is for a restaurant. Most of the rest of the structure is for office space; the glass-covered tower would house conference rooms.

Nationale-Nederlanden is planning a second, much larger project on the other side of the river: a commercial complex, designed by the French architect Jean Nouvel. At the beginning of last year, while

he was in Geneva as a member of the jury for the Aga Khan Prize for Islamic architecture, Gehry was approached by Nouvel and a Nationale-Nederlanden representative.

"My first reaction was the surface was incredibly small," said Gehry, who is based in Santa Monica, California. "How could they afford to bring someone from L.A.? For an American developer, it wouldn't make sense."

When he met Gehry, Havel brought up the "Fred and Ginger" image, but Gehry did not like the label. "I had no intention of importing Hollywood kitsch into Prague," Gehry told a public hearing.

For Gehry, as for his critics, the design stands or falls on how well it relates to its surroundings. "I tried to fit into the 19th century," he said, "without copying 19th-century language."

THE idea for the curving tower came from Vlado Milunic, a Yugoslav architect who lives in Prague and has been Gehry's partner on the project. The curve fulfills a specific purpose. In an accident of the local landscape, the main road, Resslova Street, which goes down toward the river alongside the building site, appears to lead right into the water. The road has to make a last-minute bend to link up to the Jirasek Street. By bending out into the street at its bottom, the tower helps to correct this visual oddity by appearing to deflect the street toward the bridge.

Milunic's idea struck a sympathetic chord with the American. "I'm interested in a sense of movement in my work," Gehry said. "Like the bronze Indian Shiva statues or the Greek marbles. They look like they're moving."

Fabrizio Plessi: Video and Water Wizardry

By David Galloway

DORTMUND—Three bright neon letters are stood on their heads above three aquarium-like tanks of water. Mirrored there, the neon becomes legible as "ART." The word shifts and ripples as though the water were stirred by a light breeze, evoking the familiar fascination of reflected images and their fragile illusion of reality. This time, however, neither illusion nor reality submits to a simple definition. The masterful trompe l'oeil effect of Fabrizio Plessi's "ART" is achieved through videotapes, one for each letter, which are transmitted over three video monitors. The aquarium-like shapes have often proved useful to an artist who asserts that "video and water are accomplices. Both are fluid, transparent and mobile."

The bluish shimmer of the television screen, a base to some video artists, only heightens the impact of a work like "Mare di Marmo," in which a frothy sea seems to churn across 100 monitors. Positioned "face up" on the floor and surrounded by slabs of unpolished travertine marble, the television screens show a single, simultaneous image that calls up a vast expanse of the sea. The electronic reductionism is typical of Plessi, whose interest lies in aesthetic-philosophical stances rather than technological derring-do. A single tape of rushing water, playing across 60 monitors arranged in a circle, can provoke wonder, awe and meditation.

Yet the 53-year-old artist, who has combined video and water for a quarter of a century, consistently undercuts mere "pretentiousness." The toughness of his approach is made clear by the current retrospective at Dortmund's Museum am Ostwall (through Sept. 26). This is smaller and less dramatic than the retrospective held in Cavallion in 1986, as part of the Avignon Festival, but its compactness brings Plessi's achievements into sharper focus. Thus, the inherent romanticism of "Mare di Marmo" is contrasted with the



"Tempo Liquido," Plessi drawing and finished water mill sculpture.

'break social reality of "Bronzi." Here, behind a rusted grating, 26 face-up monitors are surrounded by rusted plates of iron. Seemingly thrust into each screen is the blade of a long-handled shovel, a real object whose video-taped reflection waves in the viscous brown water. The dimly lit ensemble, overlaid by a faint, indistinct humming noise, speaks of violence and confinement, frustration and spatiality.

Though less typical than such meditative

electronic look-alike. Such works produce double takes, then dialogue. Many installations employ sand or soil, wood, coal, even bundles of lavender, though water remains the artist's trademark.

Born in Reggio nell'Emilia, Plessi has lived in Venice since his student days, and he now has an atelier in a 15th-century palace on the Grand Canal. Throughout the years, he has proposed various absurdist schemes for solving local high-water problems — including giant sponges and bathtub-style plugs that can be pulled for drainage.

Above all, Plessi celebrates the flow and cycle of water as a metaphor of life and a malleable medium for the sculptor, as outlined in his own "Aquiobiography."

The ingenious simplicity of Plessi's works is matched by flawless craftsmanship. The carpentry of a wooden cupboard, the steel banding encircling stone fragments, the grating set into an inclined walkway with "water" rushing below: all are executed with a love for detail and respect for the banal materials favored by Italy's Arte Povera movement. The precision, as well as the poetry, begins with the detailed drawings that precede each new project. Technically exact, they are also sensuously lush, chiaroscuro works that reveal immense graphic skill.

A show of the drawings is on view at Cologne's Waltraf-Richartz-Museum through July 25. Though secondary to the installations, the drawings offer confirmation that Plessi is the leading video-sculptor of our day. In comparison to his rich, evocative, subtle compositions, the works of video pioneer Nam June Paik read like Rube Goldberg variations. At Cologne's new Art Academy for the Media, Plessi has been appointed to a professorship officially designated for the "humanization of technology." The job description might well serve as a motto for the virtuosic oeuvre Plessi has produced in the last quarter century.

David Galloway is an art critic and freelance curator based in Wuppertal, Germany.

BOOKS

THE GODS!
By Tom Holt. 296 pages. \$19.95.
St. Martin's.

Reviewed by
Esther M. Friesner

IN the beginning, Prometheus took fire from the gods and gave it to man. Now Tom Holt, author of such hilarious works as "Who's Afraid of Beowulf?" and "Expecting Someone Taller," takes the gods for all they're worth in his latest, "Ye Gods!" Holt brings the gift of laughter, and as he will tell us (and as Jupiter would no doubt agree) laughter is a far more incendiary device than tame old fire any day.

Holt gives us an entertaining where-are-they-now look at the divinities of Greco-Roman mythology. Such old, familiar faces as Apollo and Minerva and Mars are Pol and Min and Ma to one another. The oracle at Delphi has become a glorified office anteroom, the pythess of Apollo a nice girl from Brooklyn with great secretarial skills. Olympus isn't what it used to be, either. The gods have packed up and moved, bag and baggage and thunderbolt, to the sun. Here they

while away the eons playing The Game. It's not too hard to guess who the playing pieces turn out to be.

The notion of the gods using mankind as their own private toy box isn't new, but Holt's presentation of the divine players is.

The monuments of classical Greece used to be brilliantly painted before centuries wore away the colors. Also, the cultural authorities of the 18th century decided that the unremovable white stones they saw must be what the Greeks originally intended. Plain white marble was therefore decreed sacrosanct, and neoclassical art and architecture had to conform to the same colorless model. It was pretty, but it wasn't a realistic portrayal of true classical art at all. Over the centuries, the gods of Greco-Roman myth have been similarly drained of color and life by misplaced "reverence" for all things classical.

Holt has given the gods a much-needed breath of life, and it's a breath that comes out as laughter. In his cosmogony, it's not Prometheus's gift of fire that takes humanity so much, it's the far more dangerous gift of laughter. Laughter is the weapon even the gods must fear. It cuts them down to size better than a

thousand enchanted swords. For this offense, Prometheus is chained to a rock in the Caucasus, and an eagle is assigned to eat his liver every day, as in the conventional myth.

Also, as in conventional mythology, Jupiter continues to seduce mortal women. Danae became the mother of the hero Perseus, Alcmena bore him Hercules, but when he takes up with a stolid British middle-class housewife and makes her the mother of Jason Derry, a hero for our times, he gets more than he bargained for.

But are our times the times that can accommodate a hero? Strangle snakes that are someone's pets and there's the insurance claim to fill; slay large beasts while you're still a toddler (heaven knows where he gets them) and your mortal father has to

bury the carcasses in the backyard, completely upsetting the garden; outstrip all others in athletics and you get a severe lecture from the games master about good sportsmanship. No, it isn't easy to be a hero today. It becomes less so when Jason must go forth, as per Jupiter's decree, and meet his Destiny.

Holt takes hold of all the heroic conventions with a skillful hand and performs a sparkling miracle of his own: Does a hero like being a hero? Does he get hungry or out of sorts while going forth to meet his Destiny? Does a hero ever get wise to the fact that he's as much a pawn as the rest of us? And when he does get wise, what can a hero do about it? He still has to face Jupiter, who has decided that it's past time to rid the

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NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	115.00	+0.25
MSFT	55.00	+0.12
ORCL	45.00	+0.10
INTL	35.00	+0.08
GOOG	25.00	+0.05
AMZN	15.00	+0.03
EBAY	10.00	+0.02
SHOP	8.00	+0.01
WAL	7.00	+0.01
DIS	6.00	+0.01
WMT	5.00	+0.01
CVS	4.00	+0.01
UNH	3.00	+0.01
MRK	2.00	+0.01
ABB	1.00	+0.01
BA	0.50	+0.01
GM	0.25	+0.01
F	0.15	+0.01
GM	0.10	+0.01
GM	0.05	+0.01
GM	0.02	+0.01
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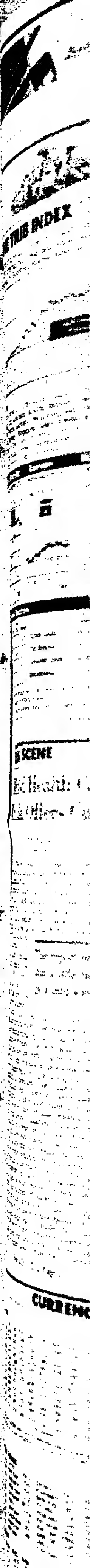
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سنة من الأمل



MARKET DIARY

Inflation Concerns Ease, Lifting Stocks

NEW YORK — U.S. stocks advanced Friday for the third straight session as lower Treasury bond yields and softer commodity prices signaled easing inflationary pressures, traders said.

The Dow Jones industrial average closed up 6.64 at 3,571.06, after surging 38.75 points on Thursday.

Declining common stocks outpace advances by 8 to 7 on the New York Stock Exchange. Trading was moderate, with about 237 million shares changing hands on the Big Board.

The inflationary threat is exaggerated and higher Treasury bond prices reflect that, said Ronald Doran, director of institutional trading at C.L. King & Associates in Albany, New York.

Bonds rebounded as commodity prices eased, cooling jitters about rising inflation. The Commodity Research Bureau's spot price index rose 0.03 point to 216.01 after earlier trading as high as 217.79, the highest since November 1991.

The benchmark 30-year bond was up 4 1/2 points to yield 6.64, down one basis point from Thursday. "Daily volatility is being determined by bond prices," which in

turn will take their cue from wholesale and consumer inflation figures for June to be reported next week, Mr. Doran said.

Philip Morris rose 3/4 to 49 1/2 amid speculation it may spin off its tobacco business, announce a big share buyback and that recent discounting had won more market share for Marlboro cigarettes.

General Motors, the third most active issue on the NYSE, rose 1/4 to 47 1/2. Ford Motor gained 1/2 to 52 1/4 and Chrysler rose 1/4 to 47 1/2.

Automakers have benefited from expectations that earnings "should be okay even in the slow-growth type of economy we've got," Mr. Doran said. "We've become much more efficient."

Walt Disney Co. recovered 1/4 to 35 1/2. Kiddy Peabody raised \$150 million to buy one day after its Euro Disney unit warned of losses. Adobe Systems Inc. rose 2 1/2 to 59 1/4. The software company announced a 2-for-1 stock split.

USAir Group Inc. fell 1/4 to 14 1/4 as the airline said its revenue passenger miles fell 10.5 percent in June about 2.996 billion.

Tiphook PLC slumped 2 1/2 to 12 1/2. The British transport equipment rental company said preliminary results for the year ended April 30 will include significant accounting changes.

Variety Corp. dropped 1/4 to 39 1/4. The company denied reports it was discussing spinning off its Massey Ferguson unit to a joint venture headed to Isaki of Japan.



Table titled 'NYSE Most Active' listing top trading volume stocks including General Motors, Walt Disney Co., and USAir Group Inc.

Table titled 'NYSE Daily' showing daily market statistics such as volume, high, low, and change for various indices.

Table titled 'Amex Diary' listing activity on the American Stock Exchange.

Table titled 'NASDAQ Diary' listing activity on the NASDAQ stock exchange.

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Table titled 'Standard & Poor's Indexes' listing various industry and market indices.

Table titled 'NYSE Indexes' showing performance of different market segments.

Table titled 'NASDAQ Indexes' showing performance of NASDAQ market segments.

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Table titled 'Dow Jones Bond Averages' showing performance of various bond indices.

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Table titled 'S&P 100 Index Options' showing options trading for the S&P 100 index.

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Table titled 'U.S. FUTURES' showing futures contracts for various U.S. markets.

Table titled 'Grains' showing futures prices for various grain commodities.

Table titled 'Livestock' showing futures prices for various livestock commodities.

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U.S. / AT THE CLOSE

Fed Confirms It Took Tighter Stance

WASHINGTON (Combined Dispatches) — The Federal Reserve System decided to lean toward higher interest rates, which might be needed to head off higher inflation, in a meeting May 18, the Fed said Friday.

The policymakers on the Fed's Open Market Committee voted 10-2 in favor of a bias toward raising interest rates, according to the minutes of the meeting. The minutes of FOMC meetings are regularly released six weeks after the meeting, but the Fed's bias to tighten was reported immediately after the May meeting in a published report that quoted sources.

Since that meeting, the FOMC has met again. Tuesday and Wednesday of this past week.

"Wage and price developments over recent months were sufficiently worrisome to warrant positioning policy for a move toward restraint should signs of intensifying inflation continue to multiply," the Fed policy panel decided at the May meeting.

Inflation soared during January, February and April, then receded in May. June figures are to be reported next week. At the time of the May 18 meeting, the Fed had the inflation data for April. (Bloomberg Reuters)

Harsco to Acquire Top Competitor

CAMP HILL, Pennsylvania (Bloomberg) — Harsco Corp. said Friday that it had agreed to buy MultiServ International of London for about \$380 million, an acquisition that would make Harsco the leading international provider of specialized steel-mill services.

MultiServ will be merged into Harsco's Heckett unit, which provides services in metal reclamation and slag processing, recycling and environmental technologies. MultiServ operates in 21 nations and has annual revenue of about \$350 million.

Broken Hill Pty. is negotiating with a U.S. company to build a small steel mill in the United States. (Bloomberg)

Southern Union Buys Missouri Gas

TOPEKA, Kansas (Bloomberg) — Western Resources Inc. said Friday that it reached a definitive agreement to sell its Missouri natural gas properties and operations to Southern Union Co. for about \$360 million.

The properties serve about 460,000 customers in Kansas, City, Joplin, and St. Joseph, Missouri. Southern Union, of Assoula, Texas, now has about 428,000 natural gas customers in Texas and Oklahoma.

Southern Union will pay for the purchase through a debt offering and a rights offering of common stock, Western Resources said.

Keating Given 12 Years in S&L Case

LOS ANGELES (NYT) — Charles H. Keating Jr., 69, the leading figure in the U.S. savings-and-loan crash, was sentenced to 12 years and 7 months in federal prison for defrauding Lincoln Savings & Loan Association and its investors.

The judge doubled the recommended sentence, calling Mr. Keating's crimes "outrageous in proportion." He is serving a 10-year sentence based on the collapse of American Continental Corp., which rendered virtually worthless junk bonds bought by thousands of investors.

Westinghouse Sells Stake in Hotels

PITTSBURGH (Bloomberg) — Westinghouse Electric Corp. said Friday that it had sold its stake in 14 hotels to Davidson Hotel Partners LP of Memphis, Tennessee, as part of its liquidation of real estate to pay billions of dollars in bank debt.

Davidson Hotel Partners paid Westinghouse between \$90 million and \$100 million for the hotels, said an official of Davidson Hotel Co., a partner in the joint venture.

For the Record

Hilton Hotels Corp. has submitted proposals to develop two hotel-casinos in Greece, one an existing hotel in downtown Athens and the other in the nearby resort of Vouliagmeni. (Bloomberg)

Ohio's public retirement funds can now invest more of their \$60 billion of assets in stocks and, for the first time, buy derivatives and international securities. (Bloomberg)

FRANC: Market Keeps Pressure On

Continued from Page 1

France's floor against the mark is set at 3.4305 francs to the mark, with the midpoint at 3.3586 francs.

On Friday, the franc closed at 3.4008 to the mark in New York trading.

The longer-term dilemma confronting Paris is simple. Many analysts are convinced that France will

have no choice but to cut interest rates sharply sometime this fall in an effort to revive growth. The conservative government, traders argue, cannot afford to run the risks that the old Socialist government did in sacrificing economic performance to defend the currency.

If the Bundesbank cuts rates by 100 basis points, the franc will follow. But if Frankfurt fails to deliver lower rates later this year, analysts say, Paris may decide to abandon the link between the franc and the mark to give itself freedom to maneuver.

"Fears that the European monetary system is likely to face a turbulent September are not a bad bet in our opinion," economists at Swiss Bank Corp. wrote in a recent re-

port. "We are increasingly convinced that other Continental European economies are now becoming weaker than Germany. France in particular is now starting to experience a sharply deteriorating economic environment."

While little has changed in the economic fundamentals, the downward revision this week in an official forecast for the French economy may have triggered some of the current market action. The National Statistics Institute predicted a 1.2 percent fall in French gross domestic product this year, compared to its earlier forecast of a 0.8 percent decline.

Bond Is Oversubscribed

France's new government bond has been nearly three times oversubscribed and is likely to raise 110 billion francs (\$18.8 billion), Mr. Balladur said on television.

The government had originally said the issue aimed to raise 40 billion francs to boost government revenue ahead of the receipts of privatizations starting this autumn.

Mr. Balladur said he was planning to use some of the money raised by the bond issue to reimburse businesses on value added tax more quickly.

Hungary, IMF Near Accord

BUDAPEST — Hungary and representatives of the International Monetary Fund said Friday that they expected to reach a new credit accord soon.

"Hungarian authorities and the IMF delegation do not see any obstacles which would prevent the agreement from being concluded within a short time," a joint statement from the IMF, the Finance Ministry and the National Bank of Hungary said.

An IMF deal would release around \$700 million in fresh loans to Hungary this year and next, ending a freeze on new credits imposed by the IMF last year to punish Budapest for overshooting its budget deficit target.

Talks were aided by parliament's vote this week to raise value added tax rates and adopt a stringent 1993 supplementary budget, the statement said.

WORLD STOCK MARKETS

Table of world stock markets showing indices for Amsterdam, Brussels, Frankfurt, London, Milan, Paris, Sao Paulo, Singapore, Stockholm, Toronto, and various regional markets.

Table of international stock markets showing various regional indices and stock prices for Europe, Asia, and other regions.

Table of U.S. futures markets showing prices for grains, livestock, metals, and food commodities.

Table of U.S. futures markets showing prices for various financial instruments, stock indices, and commodity indices.

Handwritten Arabic text at the bottom of the page.

Talks Fail To Advance Steel Pact

GENEVA — A round of talks on a proposed world steel accord broke down after one-and-a-half days without any of the big issues being discussed, especially by the United States and the European Community, officials said Friday.

"There was certainly no progress, totally the opposite," an EC source said.

The official said the U.S. side had claimed it was unable to negotiate on the major issues, such as subsidies and dumping, at this time because U.S. countervailing and anti-dumping duties ordered by the Commerce Department were still being reviewed by the International Trade Commission.

The trade commission has 45 days as of June 21 to rule whether subsidies and dumping by other steel producers, particularly EC members, are damaging the U.S. domestic steel industry.

Major Lifts Growth Forecast

LONDON — Prime Minister John Major predicted Friday that the British economy would grow more strongly this year than the Treasury expected.

Mr. Major, in a radio interview in Tokyo, said he forecast economic growth ranging from 1.5 percent to 1.75 percent in 1993. In March, the Treasury forecast growth of 1.25 percent.

The prime minister's prediction of stronger growth follows forecasts of higher growth by a number of leading independent economists.

Analysts said they expected some irritation at the Treasury because Mr. Major's statement was made without any warning. The Treasury is seen as sensitive to the timing of new economic forecasts.

Adam Cole, economist with James Capel, said: "It is going over the heads of the chancellor and his officials, and is bad form in that sense. But the actual numbers should be fairly consistent with the Treasury's internal forecasts."

In an upbeat message, Mr. Major portrayed Britain as the one bright spot in Europe.

"In continental Europe, the interest rate level is higher than their economies can bear," he said. "They are at the moment moving into recession, we have been through that. We are now coming out of recession."

On average, leading independent economists expect the British economy to grow about 1.7 percent in 1993, and 2.6 percent in 1994. The average growth rate over the past four decades is 2.25 percent.

Thorn Discusses Selling Unit to GEC

Compiled by Our Staff From Despatches

LONDON — Thorn EMI PLC, in another step toward its goal of getting rid of its noncore businesses, said it was talking with General Electric Co. about the possible sale of its defense electronics operation.

Analysts said such a sale could raise £140 million to £160 million (\$210 million to \$240 million) and would be consistent with the strategy that caused Thorn last month to sell its lighting unit to a Bahraio bank.

Mustapha Omar at the Williams de Broe brokerage said that the purchase price should not be a problem for GEC.

"It's a drop in the ocean to GEC, which is sitting on a cash pile of £2 billion," he said. GEC is not related to General Electric Co. of the United States.

He characterized the prospective sale as "part of the process of consolidation of the defense industry."

That process appeared to falter Monday when GEC said it had ended talks on collaboration with British Aerospace PLC.

"I don't think the BAe trail has gone completely cold," said another analyst, who asked not to be identified. "I think something will happen."

A Thorn EMI spokesman said the Thorn Security & Electronics unit employed about 4,300 people and that its main operations involved battlefield and aircraft radar, electro-optics and fuses for weaponry.

Thorn, which among other interests owns the music publisher Virgin Music, had a pre-tax profit of £289.9 million in the year ended in March on sales of £4.45 billion. Thorn has sold 60 companies since 1987 and now makes 82 percent of its profit from its music and video rentals operations.

Some analysts have speculated that Thorn might eventually split those two operations to maximize shareholder value. (Reuters, AFP)

Slovakia Devalues Koruna to Aid Export

BRATISLAVA, Slovakia — The Slovak central bank on Friday announced a 10.4 percent devaluation of the koruna, starting Saturday, in order to make the country's exports more competitive.

The koruna opened trading on Friday at 29.626 to the U.S. dollar. The central bank quoted the new rate for the resumption of trading on Monday at 33.062. The devaluation is expected to contribute up to 7

percentage points to the annual inflation rate. Gross domestic product is expected to decline at a slower rate than previously believed, officials said.

In June, the Slovak government signed an agreement with the International Monetary Fund setting conditions for a \$90 million loan. The agreement was conditioned on a balanced budget and a deficit not exceeding 5 percent of the country's gross domestic product, or \$535.7 million.

GERMAN: Stock Prices Boom as Investors and Analysts Look for Corporate Earnings to Lead Recovery

Continued from Page 9

ing again, production is up, the consumer confidence index has stabilized, companies are saying they'll return to profitability as soon as the third quarter — and then came the dollar.

A rise in the dollar, which Friday hit a two-year high at the Frankfurt fixing at 1.7205 Deutsche marks, traditionally benefits Germany's export-oriented industries because their sales in the United States will be worth more marks when the proceeds are brought back home.

The dollar's rise, together with investors' growing disenchantment with other European markets and moves at the Group of Seven summit meeting in

Tokyo that could help end the impasse in world trade talks inspired stock prices' sharp rise late this week.

German companies, meanwhile, are already benefiting from falling interest rates, the dollar's rise and productivity gains, Mr. Davidson of Morgan Stanley said.

The upper house of Germany's parliament on Friday cut the top corporate income tax rate to 47 percent from 53 percent. Those and other factors will eventually translate into higher dividends for shareholders, analysts argue.

In addition, Mr. Davidson said, German stocks are benefiting from a shift in sentiment toward neighboring markets.

Mr. Grebe of Bank Julius Baer said there were several reasons to believe German stocks would justify higher prices in the future even if they have reached a short-term plateau.

First, he said, German banks and other big investors are becoming more professional, meaning more will be able to take risks.

"The markets are reacting earlier, because professional investors are under a growing pressure to personal managers and other institutional investors."

In addition, German stocks used to be penalized because of the country's position on the frontier with

Communist Eastern Europe, he said. "There was a risk factor weighing on German stocks," Mr. Grebe said, that became lighter when the Berlin Wall fell, although it still lingers to some extent as the countries to Germany's east struggle with capitalism and democracy.

Finally, he said, German companies are becoming more open to investors, which in the long term should lead to higher dividend payments.

He cited the disclosure by Daimler-Benz AG, the first German company to announce a listing on the New York Stock Exchange, that it managed 4 billion DM (\$2.35 billion) in hidden reserves. "We suspect there are similar treasure chests at a lot of German companies," he said.

APPLE: A Businesslike Boss Meets the T-Shirt Culture

Continued from Page 9

oy Next Inc. The memo ends, "Please forward this to anyone who looks dazed, crazed, or fazed."

Kate Paisley, an Apple spokeswoman, said that neither Mr. Spindler nor any other company official was available for comment on the matter.

But she said that despite the salary freeze and pay cuts, Apple still ranked in the top 10 percent of Silicon Valley employers in terms of pay and benefits. And the opportunity to work on innovative technologies, she said, would continue to attract people to Apple.

"There are a lot of reasons to come here," Ms. Paisley said. "We offer a six-week sabbatical every five years and excellent health benefits. But we have to be more focused on the business right now."

That emphasis has led many industry analysts to suggest that business pressures will ultimately change the company.

"Apple has been known for a long time in the Valley as the velvet handkerchief because they pay extraordinarily well," said Denise Carbin, chief of Digital

Media, an industry newsletter. "That kind of money conferred the freedom to think big thoughts. Now they're there to make hardware as cheaply as possible. That's a very different culture."

Still, many current and former employees say that Mr. Spindler is more in tune with the original Apple culture than Mr. Sculley, whom Mr. Jobs recruited from PepsiCo Inc. in 1983.

One former high-ranking executive, speaking on condition of anonymity, says that during the power struggle between Mr. Jobs and Mr. Sculley in 1985, Mr. Spindler, then an executive in Apple's European operations, flew to Cupertino to speak in defense of Apple's way of work and life.

And Apple's culture has always tended to resist change, another former executive said.

"The true Apple culture — not the one that is hyped in magazine articles — changes extremely slowly," said Jean-Louis Gasse, who ran Apple's research and development division until he left in 1990 in an apparent rift with Mr. Sculley.

DIGITAL: A Year After Its Low, Recovery in the Air

Continued from Page 9

in important European markets such as Germany. And inside Digital, where employees are acutely aware that an additional 5,000 to 10,000 layoffs are in the offing, tensions remain high.

One of Mr. Palmer's most important tasks is to repair Digital's sales operations, which has been called one of the least productive in the industry. Sales representatives, previously compensated entirely by salary, will be on a commission basis by September.

Mr. Palmer has also impressed customers, such as Du Pont and Bankers Trust, through personal visits. But most customers are also reserving judgment.

"One thing I see that's different from the past is that Bob really does want to listen," said Cinda Hallinan, vice president of Du Pont Information Systems. "At the end of the day, the proof will be whether they can translate this into value for us as customers."

Mr. Palmer, who said he understood the continued

skepticism, said the company was restructuring amid a major product transition.

Digital is shifting from its successful but aging VAX line of minicomputers and work stations to powerful systems based on its Alpha microprocessor, a chip that uses the increasingly popular technology known as RISC, for reduced instruction set computing.

Digital has been heavily on its Alpha-based personal computers and Microsoft Corp.'s new Windows NT software operating system to spark revenue growth.

Many analysts predict that NT software will be a big hit. But they say the software is more likely to be used with computers based on Intel Corp.'s chips than on Alpha-powered systems. Mr. Palmer, however, says such predictions are premature.

"It usually takes three to three and a half years before a new architecture sells at the same level as the previous one," Mr. Palmer said. "So we are setting our expectations rationally."

NASDAQ

Friday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the NYSE consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
100.00	90.00	IBM	3.00	3.00	15.00	100.00	90.00	IBM	3.00	3.00	15.00	100.00	90.00
120.00	110.00	Microsoft	0.00	0.00	20.00	120.00	110.00	Microsoft	0.00	0.00	20.00	120.00	110.00
80.00	70.00	Apple	0.00	0.00	10.00	80.00	70.00	Apple	0.00	0.00	10.00	80.00	70.00

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
150.00	140.00	AT&T	0.50	0.50	15.00	150.00	140.00	AT&T	0.50	0.50	15.00	150.00	140.00
180.00	170.00	General Electric	0.00	0.00	15.00	180.00	170.00	General Electric	0.00	0.00	15.00	180.00	170.00
200.00	190.00	Merck	0.00	0.00	15.00	200.00	190.00	Merck	0.00	0.00	15.00	200.00	190.00

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
100.00	90.00	Johnson & Johnson	0.00	0.00	15.00	100.00	90.00	Johnson & Johnson	0.00	0.00	15.00	100.00	90.00
120.00	110.00	Pfizer	0.00	0.00	15.00	120.00	110.00	Pfizer	0.00	0.00	15.00	120.00	110.00
140.00	130.00	Amgen	0.00	0.00	15.00	140.00	130.00	Amgen	0.00	0.00	15.00	140.00	130.00

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
160.00	150.00	Boeing	0.00	0.00	15.00	160.00	150.00	Boeing	0.00	0.00	15.00	160.00	150.00
180.00	170.00	Lockheed	0.00	0.00	15.00	180.00	170.00	Lockheed	0.00	0.00	15.00	180.00	170.00
200.00	190.00	Raytheon	0.00	0.00	15.00	200.00	190.00	Raytheon	0.00	0.00	15.00	200.00	190.00

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
100.00	90.00	Walt Disney	0.00	0.00	15.00	100.00	90.00	Walt Disney	0.00	0.00	15.00	100.00	90.00
120.00	110.00	Time Warner	0.00	0.00	15.00	120.00	110.00	Time Warner	0.00	0.00	15.00	120.00	110.00
140.00	130.00	News Corp.	0.00	0.00	15.00	140.00	130.00	News Corp.	0.00	0.00	15.00	140.00	130.00

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low
160.00	150.00	Verizon	0.00	0.00	15.00	160.00	150.00	Verizon	0.00	0.00	15.00	160.00	150.00
180.00	170.00	Sprint	0.00	0.00	15.00	180.00	170.00	Sprint	0.00	0.00	15.00	180.00	170.00
200.00	190.00	WorldCom	0.00	0.00	15.00	200.00	190.00	WorldCom	0.00	0.00	15.00	200.00	190.00

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Dow Jones Seeks Stake In ABN

By Kevin Murphy
International Herald Tribune
HONG KONG—Dow Jones & Co. said Friday it hoped to buy a share of Singapore-based Asia Business News network, a deal likely to increase competition in the region's burgeoning satellite television market.

"We haven't closed a deal, we're still in discussions," said Peter Skinner, senior vice president for Dow Jones. "It's premature to talk about what we'll be doing there in the future."

If successful, Dow Jones, which publishes the Wall Street Journal and owns Telerate Financial Information News, would establish its first network broadcasting presence in Asia, joining Rupert Murdoch's News Corp., Time Warner Inc., Turner Broadcasting Systems and others in the competition to build multimedia operations where two thirds of the world's potential viewers live.

"The concept, if the story comes to fruition, is a powerful mix," said Tom Harje of Harje Cross Wilson, a strategic marketing consultant in Hong Kong.

ABN is now controlled by Television New Zealand Ltd. and the U.S. cable television giant, Telecommunications Inc., with equal 36 percent stakes. Business News Network, 18 percent, and a group led by the Singapore Broadcasting Corp., with 10 percent.

"ABN has been approached by a number of parties about taking a position in ABN," said David Nicholson, assistant director for corporate development at TVNZ. "We've been talking with them for several months, but none of the plans have been finalized. They will be resolved sooner rather than later."

Concerning Dow Jones' proposed entry into the network, Charles Baker, an analyst with Morgan Stanley in New York said, "They're selling their information product on Telerate, the newspapers and magazines, but they don't complete the circle without television. It's a logical step given they've missed opportunities in the U.S."

Dow Jones' entry into broadcasting in Asia could open opportunities for cross-selling of advertising on ABN and in the group's Asian holdings, the weekly Far Eastern Economic Review and daily Asian Wall Street Journal.

"It would be interesting. No one else in Asia is doing it right now," said Sue Johns, media director at J. Walter Thompson International in Hong Kong. "It would also be a way to protect their print-side ABN will be going right after regional print advertisers, so this would be a good defensive move."

However, an executive close to the deal said the move to bring Dow Jones into the partnership might stunner a distribution arrangement now being discussed by ABN with Asia's dominant satellite broadcaster, STAR-TV.

Exxon Presses Indonesia \$40 Billion Gas Project Is Wavering

Compiled by Our Staff From Dispatches
JAKARTA—Exxon Corp. said Friday that it was continuing negotiations with Indonesia on a \$40 billion liquefied natural gas project despite Jakarta's insistence that the talks are "dead."

Pertamina, the Indonesian state oil company, said a day earlier that development of the field in the South China Sea with Exxon would not proceed because the project was not economically feasible.

But an Exxon official in Jakarta said, "We're still talking to Indonesia and will continue to talk to Indonesia."

And the local unit of Exxon issued a statement saying, "We are currently in conversation with Indonesia on this matter."

Indonesia is the world's largest producer of liquefied natural gas, and ships more than 20 million metric tons of the supercooled fuel to East Asia each year.

The project with Exxon was to have played a key role in the renewal of a series of 20-year LNG supply contracts with a number of utilities and industrial customers in Japan.

Mines and Energy Minister Ida Bagus Sudjana caught the industry by surprise when he told reporters Thursday that the talks had been canceled. He made the announcement to reporters during a tour of oil and gas facilities at Banyuwangi island off the eastern coast of Kalimantan, the Indonesian section of the island of Borneo.

"We have decided that we will not continue the talks with Exxon," he said.

The minister added, "The project has been canceled because it is not economic for the government at present. The project will not give benefit to us. But we may be able to develop it for ourselves in the future."

In May, a senior Pertamina official said Exxon and Indonesia had agreed on one of the biggest sticking points of the negotiations: how to share the gas. He said Exxon was getting a larger than usual share because of the huge cost of the project.

The current problem appears to be the difficulty of disposing of massive amounts of environmentally unfriendly carbon dioxide in the field. Indonesia said that it had not been able to reach an understanding with Exxon on environmental and legal issues related to the project.

Located 720 kilometers (450 miles) northeast of Singapore in deep water, the Natuna field contains an estimated 6.3 trillion cubic meters of gas, of which 72 percent is corrosive carbon dioxide.

The remaining 1.4 trillion cubic meters of gas was to be recovered, supercooled and shipped as liquefied natural gas to utilities and industrial energy consumers in Japan, Taiwan and South Korea.

Exxon planned to strip the carbon dioxide from the gas and then reinject the gas at high pressures into aquifers beneath the seabed. Up to 40 percent of Natuna's \$40 billion price tag was linked to recovery and disposal of the carbon dioxide.

But Indonesia and Exxon have been unable to agree on which company would be responsible for the gas once it had been put back into the ground, or who would deal with the problem if the gas escaped from the aquifers.

The two companies also were unable to agree on which one would own oil or natural gas that Exxon might inadvertently discover while drilling the injection wells into the undersea aquifers.

Moreover, Indonesia was believed to be reluctant to give Exxon assurances that it would not unilaterally change the complex financial terms of the gas development at some point in the future.

The unresolved legal issues between Exxon and Indonesia were made worse last month when potential Japanese buyers of the liquefied natural gas gave the two companies a frosty response in preliminary pricing talks in Osaka.

Indonesia had asked the Japanese to pay a premium for the gas to cover Natuna's huge development costs, including the cost of dealing with the carbon dioxide. The Japanese, industry executives said, were not interested.

Natuna, named after the nearby Natuna Islands, was expected to provide a significant source of foreign revenue to Indonesia, especially because the country's oil reserves have begun to decline rapidly.

If Natuna is indeed dead, said James Bell, a director of EconoMatters Ltd., publishers of the newsletter Gas Matters, Indonesia will be forced to meet future LNG demand by adding capacity to its two existing LNG plants. (Bloomberg, Reuters)

The problem appears to be the cost of disposing of massive amounts of environmentally unfriendly carbon dioxide in the field.

Nippon Steel Unit Has Currency Loss Of \$129 Million

Compiled by Our Staff From Dispatches
TOKYO—Nippon Steel Chemical Co. will have to sell assets to cover unrealized losses of 13.9 billion yen (\$129 million) it incurred by betting the dollar would rise against the yen, the company said Friday.

The announcement, which came four months after Showa Shell Sekiyu said it had lost \$1.06 billion on similar forward currency contracts, appeared to support analysts' view that a number of Japanese companies are facing problems of this kind as the yen gains.

Nippon Steel Chemical, a subsidiary of Nippon Steel Corp., said it discovered this week that it had an outstanding balance of forward currency contracts to buy \$309.59 million dollars for 47,289 billion yen, at an exchange rate of 152.75 yen.

However, as Thursday's exchange rate, 107.05, the dollars bought are worth only 33,389 billion yen, the company said.

The dollar has plummeted against the yen since the beginning of the year, largely on the market's conviction that the U.S. government is

seeking a high yen as a way of cutting into Japan's trade surplus.

Showa Shell's problems, which went back to contracts incurred in 1989, were caused by the dollar's decline over the 1989-1992 period, to 125 yen by the end of that year.

Nippon Steel Chemical did not indicate who had taken the currency positions, when or why. Nor did it say whether it had settled its losses on the foreign exchange contracts.

The company said the losses would have a significant impact on its financial condition. The company said it will sell property and marketable securities and write off the foreign exchange futures loss over a two-year period.

Nippon Steel Chemical posted a parent pretax loss of 7.2 billion yen in the year to March 31, 1993, after a current profit of 1.09 billion the previous year.

It expects 3.8 billion yen in parent pretax loss in 1993-94.

Nippon Steel Chemical's stock rose 12 yen to 470 a share on the Tokyo Stock Exchange, and Nippon Steel rose 6 yen to 361.

(Bloomberg, Reuters)

Investor's Asia

Exchange	Index	Friday Close	Prev. Close	Change
Hong Kong Hang Seng	7,070.61	7,122.39	7,122.39	+0.79
Singapore Straits Times	1,797.81	1,802.28	1,802.28	+0.26
Sydney All Ordinaries	1,782.40	1,782.50	1,782.50	+0.02
Tokyo Nikkei 225	19,877.39	19,888.57	19,888.57	+0.86
Kuala Lumpur Composite	726.06	733.86	733.86	+0.81
Bangkok SET	907.64	908.53	908.53	+0.10
Seoul Composite Stock	770.46	760.88	760.88	-1.20
Taipei Weighted Price	4,068.47	4,017.59	4,017.59	-4.27
Manila Composite	3,837.38	1,850.77	1,850.77	-40.41
Jakarta Stock Index	358.87	360.13	360.13	+0.13
New Zealand NZSE 40	1,774.82	1,716.48	1,716.48	-40.48
Bombay National Index	1,040.20	1,038.20	1,038.20	-0.10

Sources: Reuters, AFP

Very briefly:

- The Sul Len Jewelry (Holdings) said the booming jewelry business in China sent profit 167 percent higher to 103.5 million Hong Kong dollars (\$13.6 million), after 38.7 million dollars, for the year that ended Feb. 28.
- Fortel Holdings Ltd., a supplier of shoes and sportswear in China and Hong Kong, saw its share price rise 11 percent on its first trading day Thursday, but ended unchanged at 142 Hong Kong dollars on Friday.
- The Philippine central bank said its reserves dipped to \$5.75 billion at the end of June, compared with \$5.90 billion the previous month, due to payments made to the Paris Club on maturing debt.
- The Supreme Court of the Philippines ruled that Asia Brewery Inc., a competitor of the popular San Miguel beer, did not violate San Miguel Corp.'s trademark when it introduced a brand called "Beer" in a bottle with a shape and color almost identical to San Miguel's.
- Hyundai workers at four of the group's units — Hyundai Heavy Industries, Hyundai Motors, Hyundai Wood Industry and Hyundai Pipe — will temporarily return to work Saturday to allow for fresh talks on wage demands; employees at six other units will continue their strikes.
- Woolworths Ltd. said its share offering — through which it hoped to raise 2.45 billion Australian dollars (\$1.67 billion) — had been oversubscribed four to five times. Price details were not yet available, the company said.

COLONY: When China Cools, Hong Kong Sneezes

Continued from Page 9

(Holdings) Ltd., a metals, chemicals and fertilizer trading company. "With all the businessmen in the yuan, no one in China dare import commodities unless they have it."

"We welcome any return in currency stability as a good sign," Mr. Kwan said.

The yuan fell 25 percent after China allowed it to float in its authorized swap markets on June 1, but it has recently recovered nearly all that ground against the U.S. dollar since Mr. Zhu took personal control of economic policy. The yuan rose by 7.5 percent in Beijing's swap market on Friday.

"We were very concerned with the yuan's depreciation," said Richard Lee, vice chairman of Wo Kee Hong (Holdings) Ltd., a distributor of air conditioners and electronic products that according to an estimate by S.G. Warburg Securities, depended on China for

40 percent of group profit last year. "China appears to be attacking the problem in a sophisticated manner which is positive in the medium and long term," Mr. Lee said. "We have not seen any slowing down in business yet. We'll be keeping a close watch."

Less quantifiable, but perhaps a greater worry, is the likelihood that Chinese investors in Hong Kong's stock and property markets will sell down their interests to meet capital needs at home once Mr. Zhu's credit squeeze takes hold.

"We've looked for it, but can't find it," said Andrew Frenis, Salomon Brothers Hong Kong Ltd.'s chief regional economist of evidence Chinese interests are likely to cash in substantial assets in Hong Kong. "But there's an enormous amount of rumor around."

Many Chinese interests are said to have ignored Beijing's regulators and parked funds earned overseas

in Hong Kong as a hedge against inflation and unfavorable official exchange rates at home.

"It doesn't make sense to repatriate illegal, liquid assets, unless the authorities force them to convert U.S. dollars in the swap markets, which would help bolster the yuan," Mr. Frenis said.

But the Hong Kong dollar, which is officially pegged to the U.S. dollar at the rate of 7.8 Hong Kong dollars, has weakened considerably in the past three weeks, moving from 7.73 in the middle of June to Friday's low of 7.76 at the close of trading in Hong Kong.

"Though the Chinese side has been denying it, I'm quite sure there has been some repatriation," said Joe Tsui, a foreign exchange specialist with HHI Samuel in Hong Kong. "It's a matter of need, not policy, and we may not fully see the impact for two to three months."

CREDIT: Chinese Clamp Down

Continued from Page 9

The time had come for a dose of tough state discipline.

The two banks that announced credit tightening have enormous influence in the economy. It is likely that most other banks will quickly fall into line.

The Bank of China president, Wang Deyan, was quoted as saying real estate and securities trading companies would be cut off from credit altogether and his bank was committed to carrying out the reformation, an allusion to austerity.

However, the central bank governor and vice premier, Zhu Rongji, said that China's rapid economic development is healthy overall.

"The problems that have arisen can be solved by speeding up and deepening reform," he said Friday. "There is no need to implement an overall austerity program."

Zhang Xiao, president of the Industrial and Commercial Bank, said the need to increase savings deposits and expand reserves is especially urgent in light of the shortage of funds for key projects, China Daily reported.

This is the longest sustained growth since China began introducing economic reforms in 1979.

Meanwhile, the yuan climbed 7.5 percent Friday on the swap market closing at 9.0021 to the dollar, up from 9.739 yuan at the last trading session Wednesday. The currency had suffered a 25 percent drop after the central bank ended the operation of managed rates at swap centers on June 1.

There are three exchange rates in China: the official rate — 5.7468 to the dollar on Friday — the swap rate and the black market. Local and foreign businessmen can use swap markets to change their non-convertible yuan.

(Reuters, AP, Bloomberg, AFP)

HEALTH: Cures for Third World

Continued from Page 9

animal waste out of drinking water would reduce the burden of disease in poor countries by 10 percent.

Eliminating the smoke inside dwellings from cooking and heating could cut childhood pneumonia by half and reduce the burden of disease by 5 percent.

The World Bank staff estimates that a minimum package of public health services plus clinical care might cost as little as \$12 a person in the poorest countries, yet reduce the burden of disease by 25 percent. Total cost: an extra \$15 billion a year.

All this may seem frustrating, like one of those public service ads that promise to transform your pocket change into enough powdered milk to nourish a thousand starving infants for a year. If life-saving is so cheap, what are governments doing with the billions from charity and foreign aid?

An easy answer is that a good chunk of the money sent to poor countries is spent on toys for the ruling classes, weapons in particular. The answer emphasized in the World Bank report is that it is very hard to deliver any service efficiently without a lot of help from free markets.

Third parties that only incidentally benefit from cost-effective outcomes — insurance companies, governments, health delivery bureaucrats — are not likely to make the right decisions.

For example, poor countries generally spend far too much of their health-care budgets on urban hospitals that offer sophisticated services to a tiny fraction of the population.

By no coincidence, much of the subsidies for medical care go to middle- and upper-income families who have the least moral claim to public resources.

AMEX Friday's Closing

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	1992	High	Low	Label	Chg
114.00	112.00	AMER	0.00	0.00	10.00	1992	114.00	112.00	AMER	0.00
115.00	113.00	AMER	0.00	0.00	10.00	1992	115.00	113.00	AMER	0.00
116.00	114.00	AMER	0.00	0.00	10.00	1992	116.00	114.00	AMER	0.00
117.00	115.00	AMER	0.00	0.00	10.00	1992	117.00	115.00	AMER	0.00
118.00	116.00	AMER	0.00	0.00	10.00	1992	118.00	116.00	AMER	0.00
119.00	117.00	AMER	0.00	0.00	10.00	1992	119.00	117.00	AMER	0.00
120.00	118.00	AMER	0.00	0.00	10.00	1992	120.00	118.00	AMER	0.00
121.00	119.00	AMER	0.00	0.00	10.00	1992	121.00	119.00	AMER	0.00
122.00	120.00	AMER	0.00	0.00	10.00	1992	122.00	120.00	AMER	0.00
123.00	121.00	AMER	0.00	0.00	10.00	1992	123.00	121.00	AMER	0.00
124.00	122.00	AMER	0.00	0.00	10.00	1992	124.00	122.00	AMER	0.00
125.00	123.00	AMER	0.00	0.00	10.00	1992	125.00	123.00	AMER	0.00
126.00	124.00	AMER	0.00	0.00	10.00	1992	126.00	124.00	AMER	0.00
127.00	125.00	AMER	0.00	0.00	10.00	1992	127.00	125.00	AMER	0.00
128.00	126.00	AMER	0.00	0.00	10.00	1992	128.00	126.00	AMER	0.00
129.00	127.00	AMER	0.00	0.00	10.00	1992	129.00	127.00	AMER	0.00
130.00	128.00	AMER	0.00	0.00	10.00	1992	130.00	128.00	AMER	0.00
131.00	129.00	AMER	0.00	0.00	10.00	1992	131.00	129.00	AMER	0.00
132.00	130.00	AMER	0.00	0.00	10.00	1992	132.00	130.00	AMER	0.00
133.00	131.00	AMER	0.00	0.00	10.00	1992	133.00	131.00	AMER	0.00
134.00	132.00	AMER	0.00	0.00	10.00	1992	134.00	132.00	AMER	0.00
135.00	133.00	AMER	0.00	0.00	10.00	1992	135.00	133.00	AMER	0.00
136.00	134.00	AMER	0.00	0.00	10.00	1992	136.00	134.00	AMER	0.00
137.00	135.00	AMER	0.00	0.00	10.00	1992	137.00	135.00	AMER	0.00
138.00	136.00	AMER	0.00	0.00	10.00	1992	138.00	136.00	AMER	0.00
139.00	137.00	AMER	0.00	0.00	10.00	1992	139.00	137.00	AMER	0.00
140.00	138.00	AMER	0.00	0.00	10.00	1992	140.00	138.00	AMER	0.00
141.00	139.00	AMER	0.00	0.00	10.00	1992	141.00	139.00	AMER	0.00
142.00	140.00	AMER	0.00	0.00	10.00	1992	142.00	140.00	AMER	0.00
143.00	141.00	AMER	0.00	0.00	10.00	1992	143.00	141.00	AMER	0.00
144.00	142.00	AMER	0.00	0.00	10.00	1992	144.00	142.00	AMER	0.00
145.00	143.00	AMER	0.00	0.00	10.00	1992	145.00	143.00	AMER	0.00
146.00	144.00	AMER	0.00	0.00	10.00	1992	146.00	144.00	AMER	0.00
147.00	145.00	AMER	0.00	0.00	10.00	1992	147.00	145.00	AMER	0.00
148.00	146.00	AMER	0.00	0.00	10.00	1992	148.00	146.00	AMER	0.00
149.00	147.00	AMER	0.00	0.00	10.00	1992	149.00	147.00	AMER	0.00
150.00	148.00	AMER	0.00	0.00	10.00	1992	150.00	148.00	AMER	0.00
151.00	149.00	AMER	0.00	0.00	10.00	1992	151.00	149.00	AMER	0.00
152.00	150.00	AMER	0.00	0.00	10.00	1992	152.00	150.00	AMER	0.00
153.00	151.00	AMER	0.00	0.00	10.00	1992	153.00	151.00	AMER	0.00
154.00	152.00	AMER	0.00	0.00	10.00	1992	154.00	152.00	AMER	0.00
155.00	153.00	AMER	0.00	0.00	10.00	1992	155.00	153.00	AMER	0.00
156.00	154.00	AMER	0.00	0.00	10.00	1992	156.00	154.00	AMER	0.00
157.00	155.00	AMER	0.00	0.00	10.00	1992	157.00	155.00	AMER	0.00
158.00	156.00	AMER	0.00	0.00	10.00	1992	158.00	1		

THE MONEY REPORT

FIRST COLUMN

Doomsayers Forced Into Anonymity

CIRCULATING Wall Street right now is a letter that is causing considerable concern. It is a species of brokers' circular containing some cogently argued notions that, in some respects, today's share market and prevailing economic conditions are similar to the situation that obtained just before the 1929 crash.

The letter offers a mixture of astute observation of investment patterns and somewhat drier economic analysis. The large and increasing number of small investors flocking to the market is seen as a negative factor, as is, among other things, the excess supply of commercial property.

But perhaps the most persuasive element in favor of the arguments ventilated in the letter is the very fact of its anonymity. Given that the document is intellectually respectable, why should its authors wish to remain unidentified?

The answer lies in the intense pressure to conform that the investment community exerts over its members. The simple truth is that a buoyant share market is good for business, and any argument, however reasonable, that shares may be fully valued—or, unforgivably, overvalued—is met with unmitigated hostility.

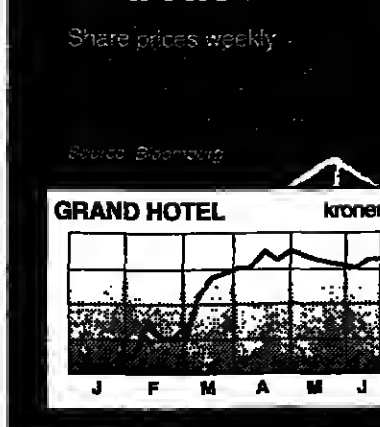
Heresy is, of course, occasionally tolerated. Indeed, the investment analysis who pulled out of the market before the 1987 share crash are hailed as heroes. But two things should be noted: Hero status is only conferred well after the event, and their decisions to withdraw were not publicized at the time.

If the idea of the pressure to conform is accepted, what we have is another, powerful force pushing shares up. It is, of course, based purely on market sentiment. Analysts see value in the market not because the figures justify it, but because everyone else does. And sentiment, of course, can change with the wind.

The anonymous letter may not be correct in its predictions of woe. But if it is, and the markets dive, there will be scores of people claiming authorship.

M.B.

Front-runners and Also-rans



HSBC Hong Kong S



PHILIP MORRIS



MONTEDISON lire



GLAXO pence



Asia-Pacific Performance Lifts Trib's World Stock Index

By Conrad de Aenle

THE International Herald Tribune World Stock Index rose by nearly 12 percent in the first half of 1993, to 101.83, finally poking its head above the 100 level that was assigned to it for Jan. 1, 1992.

The big turnaround from last year was in Japan, where shares rose nearly 25 percent. A 20 percent fall there was largely responsible for the world index's malaise in 1992.

The latest victims of this fickleness in the public mood are so-called growth stocks, which trade at high multiples to earnings and book value because their earnings grow faster than those of other companies.

The world index is also carved up to derive a number of sub-indices representing industry groups such as finance, utilities or consumer goods. This last one gives evidence of how investors are shunning growth issues these days.

ASIC Materials rose by 7 percent, to 98.74. Scandinavians again led the way. Shares of two Finnish forest products businesses did notably well. Repola rose 68 percent and Enso-Gutzeit was up 47 percent.

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definition, have already enjoyed an inflow of capital into their shares, when enough of them fall out of favor, they take the index down with them.

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France F. F.	1,950	1,070	590
Germany (mail) D. M.	700	385	210
Hand delivery D. M.	850	470	260
Great Britain £	210	115	65
Greece Dr.	75,000	41,000	22,000
Ireland Ir. £	230	125	65
Italy Lit.	300,000	150,000	80,000
Luxembourg L. Fr.	14,000	7,700	4,200
Netherlands Fl.	770	400	230
Norway N. Kr.	3,500	1,900	1,050
Portugal Esc.	47,000	25,000	14,000
Spain Pes.	48,000	25,500	14,500
Hand delivery Madrid Pes.	55,000	27,500	15,500
Sweden (airmail) S. Kr.	3,100	1,700	900
Hand delivery S. Kr.	3,500	1,900	1,000
Switzerland S. Fr.	610	325	185
Rest of Europe, N. Africa, former French Africa, Middle East	830	345	190
Gulf States, Asia, Central and South America	700	400	225
Rest of Africa	900	465	270

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BRIEFCASE

Lehman's Adds Play To Offshore Fund List
Are you a sophisticated international investor who is prepared to commit money to speculative trading in the world's interbank, forward and futures foreign exchange markets? If so, and you are neither a U.S. national nor resident in the United States, Lehman Brothers International would like your money for a new mutual fund.

Deutsche Bank Unit Launches Mark Fund
DB Investment Management (DBIM), the Luxembourg-based mutual fund arm of the giant German financial institution Deutsche Bank, has launched a new money market fund. The Reserve 95 fund will commit money mainly to German mark-denominated bonds with a short-to-medium-term maturity of between six months and two years.

French Homeowners Offered Loan Plan
Banque Woolwich, the French subsidiary of U.K. thrift institution the Woolwich Building Society, is offering French homeowners a play based on lower French interest rates. The bank is launching a French franc mortgage aimed at homeowners who are locked into fixed rate mortgages (a very common type of home loan in France) and consequently unable to benefit from lower interest rates.

Best Performing Mutual Funds
Over one month to July 1, 1993
Over one year to July 1, 1993
Over five years to July 1, 1993

India Investment Fund Goes International
The Jardine Fleming India Pacific Trust, launched four years ago for nonresident Indian nationals, is now available to international investors. The management company

150 من الأصل

DAVE BARRY

The Slithering TV

MIAMI — Technology is improving every facet of our lives. Take the face of urinals. Not too long ago I was with my friend Roy in a hotel bar in Anaheim, California, and Roy went into the men's room and came back to report that he couldn't figure out how to flush the urinal. "Plus," he said, "it's sending me messages."

So I went in there, and sure enough, instead of a flush handle there were some colored lights and a panel with little electronic letters that said "SYSTEM ON."

Another facet of our lives being improved by technology is television. You young people will be shocked to learn this, but in my youth, back in the 1950s, when Dwight Eisenhower was president and mastodonts roamed the earth, we had to change TV channels BY HAND.

Today, thanks to technology, we have advanced solid-state color television sets equipped with cable, so that instead of being forced to choose among just a few fuzzy channels, we can't change channels at all, because we can't find the remote control. You'd think the control would always be somewhere near the TV set, but ours regularly turns up as far away as New Zealand.

ontrols of the opposite sex so they can mate and give birth to billions of tiny garage-door openers. But the point is that, when we can change channels, we can choose from as many as 50, offering programs that range across the entire entertainment and intellectual spectrum, all the way from Sally Jessy Raphael (today: "Men Who Wear Brassieres on Their Heads and the Women Who Help Fasten Them") to Phil Donahue (today: "Teenage Runaways Legally Married to Horses").

Yes, TV is already wonderful, and it's about to get even better, thanks to an invention called "fiber optics." This is, technically, a new kind of wire that will soon come into your home. You can't stop it. It's technology. One night, while you're sleeping, a fiber-optic wire will come slithering under your front door and write silently around your house when it locates a television set it will rear back to strike and ZWEEP your set will be hooked up, and you'll be able to receive 500 TELEVISION CHANNELS.

Think of it! There will be a channel for EVERYBODY. Arnold Palmer has announced that he's going to have a channel devoted just to GOLF. I swear I am not making this up. It will be called the Golf Channel, and it will be on 24 HOURS A DAY (tonight: "Putters of Lust").

And that's just the beginning. With fiber optics, you'll receive first-run movies, sporting events, weather reports, stock quotations, dental X-rays, credit information about your neighbors, the complete Watergate tapes, ransom notes, nuclear secrets, ointments, suppositories and your Permanent Record from school. You'll also be able to "tap in" to a vast electronic information bank.

Let's say your 10-year-old son has to do a report on the famous Greek philosopher Aristotle. Instead of looking the information up in a clumsy old-fashioned encyclopedia, he'll simply turn on your TV, punch a few buttons, and, within seconds, he'll be watching a movie called "Big Party Party." Don't try to stop him, and above all don't try to turn off the set. The fiber-optic wire will be coiled nearby, watching you, ready to strike. SYSTEM ON.

Knight-Ridder Newspapers

Mickey Rooney, 73, Is Still a Child Star

By Alex Witchel New York Times Service

NEW YORK — Let everyone else in the world spend time and money trying to free his inner child. Mickey Rooney's is already free. You might even say it needs a spanking. Listen: "My autobiography, 'Life Is Too Short,' got to be No. 5 on the best-seller lists and Random House sold the rights in England for all of \$10,000. Can you believe that? So I wouldn't do anything for them, no promotion, nothing. My original title for the book was 'Me.' But then they called and said Katie Hepburn wanted to call her book 'Me,' so I let her.

"I've written seven novels, and without trying to blow myself up in any respect, I'm a damned good writer. I'm sick and tired of celebrity books. 'Sophia' — I know Sophia didn't write it. Told-to books just bore me."

Well, so much for lovable Andy Hardy. But wait. The flip side of Rooney's bad-boy persona, which can change in a flash, is the good boy, the grateful boy, who learned very early what it meant to follow studio rules and be the team's star player.

Rooney has just joined the cast of "The Will Rogers Follies" in the supporting role of Will's father. Between fittings and rehearsal, during a quick lunch at an Indian restaurant, he eagerly promotes the play. As he speaks, you can almost see Louis B. Mayer nodding in approval. Let's put on a show? Hell, yes, Rooney is not only thrilled and honored to be acting in the greatest American musical in the history of the world (since "Sugar Babies," of course, his 1979 Broadway hit) but he actually mentions the name of every one of the show's creators. Fast. You can clock him at under three minutes for the whole spiel, start to finish.

"Do you know, you're sitting with the only man alive who worked with Will Rogers," he says proudly, referring to the 1935 film "The Country Chairman." "He told me: 'You handle yourself very well. You know your lines. You don't interfere with mine. You know how to have fun with the script. Your performance makes mine better.'"

Does Rooney mind being a replacement on Broadway? Most actors prefer to originate a role, although two years into its run, the other principals are replacements, too, including Larry Gatlin, who plays Will.

"This seems to be a family show and I'm proud to be in it," Rooney says. "It's like Will said to me, 'Mick, please do the show.' It sounds a little esoteric, but true. And Tommy Tune asked me to do, so where was I to go? I'm direly in love with doing

anything for my family, who is the American public. I'm a bum who wants to be a small part of anything."

At 73, Rooney's face inspires. There are pouches now under his blue eyes, but you can still see the enthusiasm and optimism that endeared him to generations of moviegoers. He made his first film, "Orchids and Ermine," in 1927 and completed shooting on his latest two weeks ago. It is "The Revenge of the Red Baron," a horror film co-starring Laraine Newman and produced by Roger Corman. Before that, Rooney starred in "Lend Me a Tumor" in Chicago, and he will rejoin the production of that show in San Francisco after his six-month run in "Will Rogers."

As he goes to call his wife, who is at the apartment he owns in midtown, his walk is something between a run and a waddle. He rolls. The malice of a child smiles and says, "He has a lot of energy for his age, running around like a bullet. Does he know who this man is? He shakes his head. 'But he seems a very pleasant person,' he says.

When the puri arrives, Rooney ogles the huge puffed bread. "Am I gonna wear this, or what?" It starts sinking in the middle. "You mean to tell me that wasn't silicone?" he says, and when he gets a laugh, he encourages to go on.

"People don't realize the great stars I brought to the fore," he says. "Sammy Davis Jr., for one. I found the Will Maston Trio in a colored theater in Baltimore. And I brought Red Skelton to MGM. I directed his test. I told Louis B. Mayer I'd found the funniest man ever seen. And the rest is history."

"I also found and brought to the fore Marilyn Monroe. It was at Ray Anthony's party, he was a trumpet player, a band leader. Everybody wanted to jump on her bones, so I took her under my wing."

"I said, 'Norma, we're going to have to change your name.' And God love her soul and her body, she didn't have a chance. She was a very strange lady. But I said, 'You're definitely a Marilyn.' And we were talking and my phone rang and it was my writer friend Monroe Manning. And I said 'I'd call him back. And then I froze. And she said, 'Who was that? And I said, 'I was just talking to your last name.'"

Does he miss the studio system? "I'm never bitter about it," he says. "The heads of the studios now are what, 11 or 12? I expect any day for Macaulay Culkin to take over one."

Did Rooney like "Home Alone"? "I didn't see it," he says. "Why not? His voice is sharp. 'I was working.' It may be difficult for people under 30



Paul R. Conrad/The New York Times Back on Broadway, he says, "I've had my day at bat. I've no delusions of grandeur."

to understand just how big a star Rooney was in his childhood. He made his debut in vaudeville at 18 months with his parents, Joe Yule, a comic, and Nell Carter, a dancer. He acted in his first feature film at 7 when he was cast as Mickey McGuire, a character based on a cartoon strip. He made 78 of these short films until he outgrew the role at the age of 12.

Then he signed with MGM, where he made the Andy Hardy series. From 1938 to 1940, his box office receipts made him the most popular star in the world. In 1939 he received a special Academy Award for his work in the Andy Hardy series. And that's the year he and Judy Garland made the musical "Babes in Arms," forging one of the most popular on-screen partnerships in Hollywood history. In 1933, he received an honorary Oscar in recognition of his career.

So there's a basis for his odd swings between bravado and humility, obedience and defiance. Even now, Rooney is still a child star. During his outbursts, you can't tell if he's thinking too fast for everyone else, or if he never learned to think fast enough. Either way, he seems frustrated. To have the love of millions at such a young age and lose it is cruel. And after

being loved by so many, just one doesn't do as well. Which may be why Rooney's been married eight times. (His first wife was Ava Gardner.) He and his current wife, Jan, live outside of Los Angeles, and 7 when he was cast as Mickey McGuire, a character based on a cartoon strip. He made 78 of these short films until he outgrew the role at the age of 12.

Religion helps. In his book, which was published in 1991, he writes about an experience he had at a coffee shop at Harvard's in Lake Tahoe, California. He describes a hushy with blond curls who whispered in his ear, "Mr. Rooney, Jesus Christ loves you very much." After chatting with the manager and finding no busboy who fit this description, Rooney decided he was visited by an angel.

Today all he says is: "I believe God gave me my career. I was sent here to do my Father's work."

His reflective mood evaporates when talk turns back to the movies. Specifically, "Jurassic Park."

"I only went because my wife wanted to see it," he says. "I had already seen 'King Kong' and 'Godzilla,' so this held no interest for me whatsoever. Once you saw the special effects of the dinosaur, the picture was over. I forgot who was even in it."

PEOPLE

Muti to Conduct Concert To Aid Uffizi Victims

Riccardo Muti will conduct a concert staged by the city of Florence on July 22 to raise money for victims of a car bomb which killed five people and damaged the Uffizi art gallery on May 27. Muti, the director of Milan's La Scala opera house, will conduct the Florence orchestra and choir in Giuseppe Verdi's Requiem Mass.

Alfredo Arias of Argentina staging a revue in September to reopen the Folies Bergere, one of the most colorful Paris cabarets for more than a century and the former stomping ground of the likes of Josephine Baker and Mistinguette. The cabaret closed in December when terrorism slumped after the Gulf War.

Sarah Ferguson, the estranged wife of Britain's Prince Andrew, said her recent brushes with bad publicity have "made me much more thoughtful and aware of trying to control my spontaneity." Friends with Andrew, not least for the sake of their daughters, 4-year-old Beatrice and Eugenie, 3. She said that she had made "huge mistakes" and that "my life is very much just seeing each day how it is."

Franco's former culture minister Jack Lang. Pop Art founding father Roy Lichtenstein and modernist Japanese designer Issey Miyake all spotted velvet troom hats as they received honorary doctorates at Britain's Royal College of Art. Those honored at the Royal Albert Hall also included as Senior Fellows painter Patrick Caulfield, art dealer Leslie Waddington and filmmaker Derek Jarman.

Princess Gloria von Thurn und Taxis, known in Germany as the "punk princess" or just "TNT," is auctioning off more treasures, including 75,000 bottles of rare wines, to pay estate taxes connected with the death of her husband, Prince Johannes, two years ago.

INTERNATIONAL CLASSIFIED Appears on Pages 5 & 7

WEATHER

Forecast for Sunday through Tuesday, as provided by Accu-Weather. Includes maps of North America, Europe, and Asia with weather symbols and temperature forecasts.

THIS WEEKEND AT THE BEACH. Includes weather forecasts for Saturday and Sunday across various global regions like Europe and Middle East, Asia/Pacific, and Caribbean and West Atlantic.

If you're going to travel all over the map, here's how to call from almost any point on it.



Table with columns for country codes and AT&T Access Numbers. Lists international dialing instructions for various countries.

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